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Institute News and Notes

Supplement to "The Australian Accountant"

Published Monthly for the Commonwealth Institute of Accountants and The Australasian Institute of Cost Accountants.

FEBRUARY 15, 1941

Commonwealth Institute of Accountants

Members on Active Service

Victorian Division

K. Allen, J. C. Barnes, R. P. Bee, T. F. Bourke, E. J. Coffey, K. C. Collins, K. D. Collins, D. C. Coombe, K. V. Crawley, R. L. Fairfax, H. T. Ford, H. R. Glass, J. H. Greenwood, F. A. Hassett, B. E. Hislop, H. C. Holmes, R. J. Inglis, S. Johnston, F. R. Knox, F. C. Lawson, J. Maffey, N. J. Marshall, F. L. McCay, G. J. Nicol, B. O'Brien, E. J. Parks, A. P. Reynolds, J. T. Sandford, J. N. Snell, F. St. L. Staley, W. F. Wood.

Queensland Division

J. L. Amies, R. S. Billington, N. L. Boyden, B. S. Brown, J. H. Chandler, D. F. Cribb, J. Farrelly, W. R. Galley, R. C. S. Glover, G. C. Harris, J. O'B. Hoare, N. W. Mowat, T. V. McAulay, J. F. McConachie, I. A. H. Perry, F. E. Stahl, C. D. Sivyer.

New South Wales Division

Annual Meeting

The Annual Meeting of the New South Wales Division will be held on Wednesday, March 5, at 7.30 p.m., followed by a Social, at which Professor Clunies Ross will deliver an address. Members' admission tickets are obtainable upon application to the State Registrar.

Cost Accounting Course

The Cost Accounting Course under the direction of Mr. Walter Scott, A.I.C.A., will be resumed at the Institute's Conference Room, Sydney, on Thursday, February 20, at 6.30 p.m.

Commonwealth Institute Students' Society

New South Wales Division

The Committee has drawn up the following syllabus for the half-year from January to June, 1941:—

January 30. Lecture: "Administration of Estates"—Mr. G. M. Webb, LL.B.
February 27. Mock Company Meeting—to be arranged by Mr. J. W. Newington, A.I.C.A.
March 13. Lecture: "Income Tax"—Mr. J. A. L. Gunn, F.I.C.A.
April 9. Question Box Night—under the direction of Mr. H. J. Trist, F.I.C.A.
May 22. Lecture: "Uses of Financial Ratios"—Mr. A. Clunies Ross, F.I.C.A.

Queensland Division

At the December Meeting of the Society, a question on "Loss of Profits Insurance," submitted by one of the students, provided the basis of an instructive lecture by Mr. E. G. Kidd, F.I.C.A., Assistant Manager of the Royal Insurance Co. Ltd., and a Councillor of this Division.

Victorian Division

On Wednesday, February 26, at 8 p.m., Mr. R. Adamson, A.I.C.A., Chief Editor, Hemingway & Robertson Pty. Ltd., will lecture on "Control Accounts under Standard Costing." The lecture is primarily intended for examination students, but it should also be of assistance to members who are interested in the application of standard costing in practice.

Mr. Adamson will commence his lecture by briefly explaining the purposes of Standard Costing. The control of material cost, labour cost, and indirect cost will then be fully considered, with particular reference to the variances between budgeted

and actual costs, and their treatment in the accounts. Special attention will be given to the co-ordination of the cost accounts and the general financial accounts. Specimen workings will be made available so that Mr. Adamson's explanations may be readily followed. Some of these will be based on examination questions that have been recently set for candidates.

The Australasian Institute of Cost Accountants

EXAMINERS' REPORTS—*Continued*

Subject H.—Economics

Of the 49 candidates who submitted themselves for this paper, 32 passed, a percentage of 65·3%. The arithmetic average of the marks obtained by the 49 candidates was 65·8%. Of those who were unsuccessful, 8 received less than 50% and 6 between 51 and 60%. Of those who passed, 18 received more than 70%, and 8 of these received more than 80%.

Generally, the answers of the successful candidates showed a reasonably good grasp of the subject, and it seemed clear that a large proportion of the failures was due to inadequate preparation. One noticeable feature was the inability of several candidates to express themselves clearly, and a lack of precision in the use of technical terms. There was even a tendency on the part of some candidates to endeavour to coin new terms to express their ideas.

As to the specific questions, the principal weaknesses were as follows:

Question 1.—Explain the meaning of the following statement: "Over the long period Total Cost is the important influence in fixing the amount of Supply; over the shorter period, Prime Cost is the important influence."

The essential point is, of course, that, over the short period, it may be worth while for a producer to continue to operate his plant, even though he is unable to obtain a price for the product which will repay total cost, for the reason that, even if the plant is left idle, certain fixed expenses will continue. Any excess of the selling price over variable cost will, therefore, represent a contribution towards these fixed expenses.

Question 2.—What is "economic rent"? Illustrate your reply by reference to the rent elements in wages.

There is a very evident tendency to consider rent as applicable only to land, and a failure to appreciate the distinction between rent in the economic sense and rent in the sense in which it is used in everyday business. Several candidates were, therefore, unable to detect any rent element in wages.

Question 3.—Explain the meaning of the following terms:

(a) Inelastic demand;
(b) Marginal utility;
(c) Margin of cultivation;
(d) Law of increasing cost.

On the whole, this question was well answered.

Question 4.—How would you account for the fact that capital apparently earns different rates of interest in different employments?

This question was also generally well answered though several candidates missed the point that "interest" frequently includes return for work involved in looking after investments, as well as payment for risk-taking and pure interest.

Question 5.—Enumerate and briefly comment on four advantages of large-scale production, and three obstacles to the fullest development of large-scale enterprise.

This question was also well answered by the majority of candidates.

Question 6.—How would you distinguish between legitimate and illegitimate speculation?

Some candidates looked on this question from the standpoint of law rather than that of social advantage. In Economics, "legitimate speculation" is, of course, speculation which contributes to welfare by specialised risk-taking, which enables business to be carried on with a minimum of disturbance by avoidable risks.

Question 7.—Explain the meaning of the statement that "the cost of our imports is our exports."

This question was well answered by the majority of candidates.

Personal

Mr. E. G. Kidd, F.I.C.A., a member of the Council of the Queensland Division of the Commonwealth Institute, was recently advanced from the position of Chief Clerk to that of Assistant Manager of the Royal Insurance Co. Ltd., Brisbane.

Messrs. John L. Zillman and Sagar advise that their offices are now situated at 16-18 O'Connell Street, Sydney.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

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MARCH 15, 1941

Commonwealth Institute of Accountants

Admissions and Advancements

Admitted as Provisional Associate—

New South Wales

P. A. Becker, F. L. Bradley, L. McL. Cameron, J. Campbell, R. J. Chambers, J. L. Cooper, A. R. Dobb, V. G. Fitzpatrick, G. L. Hake, M. E. Harrison, A. C. Isaacs, H. Jackson, G. T. Jarratt, T. G. Lorriman, W. S. Lumby, H. I. Macauley, N. D. Moloney, J. W. Powell, C. U. Riley, K. G. Sapsford, W. A. D. Scott, P. A. W. Shoebridge, F. W. Small, F. W. Spicer, F. W. Stayner, W. A. Terry, J. K. Weal, H. B. Williamson.

Victoria

R. P. Clucas, W. J. Skeels, D. H. Foster, J. M. Hall, J. D. G. Fagan, E. Williams, H. M. Ridley, R. N. Sevier, F. I. White, A. J. White.

Western Australia

R. M. Fletcher, C. N. Harris, R. A. Lawry, H. R. J. Parkes and P. H. Wicksteed.

Queensland

H. E. Shaw.

Admitted as Associate—

New South Wales

A. Dickson, A. L. Freer, A. L. Morse, A. Walsh.

Victoria

D. F. P. Brown, R. W. Burge.

Advancement to Fellow—

New South Wales

O. J. Peters.

Members on Active Service

Western Australia

H. Turner and J. B. T. Hanson.

New South Wales Division

J. W. Axtens, D. H. Balmain, J. H. Blackman, A. V. Bridgman, C. Carmichael, D. N. Carmichael, P. A. Cohen, J. Crossfield, P. K. Downs, B. J. Fernon, G. A. Green, P. S. G. Hobbes, R. E. Holgate, V. N. Hugh, R. E. Jones, L. J. Jordan, I. L. Lawson, R. D. Malfroy, A. D. Meares, H. A. Money, A. Richmond, W. R. T. Sleeman, H. H. Smith, R. D. Stevenson, H. R. Train, A. G. Willis.

Victorian Division

The Lord Mayor's Queen Carnival

The Commonwealth Institute of Accountants has been included by the Lord Mayor in the Commerce section in the Queen Carnival Campaign now in progress.

The object of the Carnival is to raise £50,000, which will be divided equally between the Red Cross and the Australian Comforts Fund.

The Committee of the Commerce Section desires the assistance of all members of affiliated organisations in the sale of badges (1/-), flags (1/-) and stamps (1d. each), supplies of which are available from the offices of the Section, 2nd floor, 84 William Street, Melbourne, "on sale or return."

Many members of the Institute are employed by companies which will be working directly with the Commerce or other sections of the Carnival. In the case of practising accountants, however, the support of their staffs in the sale of badges, etc., and their own financial assistance in the form of direct donations will be appreciated by the Commerce Section Committee.

The colour allotted to the Queen of Commerce is lilac, which will be used to distinguish the badges, etc., sold on her behalf from those representing votes for other queens.

Geelong Branch

The Annual Meeting of the Geelong Branch was held at the Carlton Hotel on Monday, February 17. A members' dinner was held prior to the transaction of the business of the meeting.

The following guests were present:—Cr. R. C. Thear (Mayor of Geelong); Mr. C. N. Brown (President Geelong Chamber of Commerce); Mr. F. Just (President Geelong Law Association); Mr. R. Pavia (Principal Gordon Institute of Technology); representatives of the Divisional Council, Messrs. V. L. Solomon, A. A. Fitzgerald, A. M. Hislop, and the State Registrar, Mr. C. W. Andersen; also representatives from the Ballarat Branch, Messrs. J. F. L. Gibbs, W. A. Aikins, F. M. Thiessen, and C. C. FitzGerald (Branch Secretary).

The retiring councillors, Messrs. J. N. David and H. Watt, were re-elected to the Council.

Ballarat Branch

The 32nd Annual Meeting of the Ballarat Branch was held on Thursday, February 13, at 8 p.m., in conjunction with a Smoke Social.

The following guests were present:—Mr. A. A. Fitzgerald (Aust. President); Mr. V. L. Solomon (State President); Mr. T. F. Brennan (Aust. Vice-President); Messrs. W. Honeycombe and H. Watt (Geelong Branch); Messrs. T. T. Hollway and P. L. Denigan (M.L.A.'s); Messrs. W. M. Cuthbertson and F. W. Vawdrey (Federal Institute); Mr. H. E. Batten (Aust. Institute of Secretaries); Cr. A. C. Pittard (Advance Ballarat Association); Mr. L. M. Dixon (E.S. & A. Bank); Mr. T. E. Byrne (Law Institute); Mr. R. J. Thompson (Ballarat A.N.A.).

The Branch President, Mr. J. F. L. Gibbs, delivered a very thought-provoking address on War Finance and the New Social Order. This topic was the theme of the speeches throughout the evening. (The Branch President's address will appear in the "Australian Accountant").

The harmony supplied by the Ballarat Optimists was well rendered.

Western Australian Division

Annual Meeting

The Annual Meeting of members of this Division will be held on March 28, at 8 p.m., in the Board Room, Fifth Floor, Shell House, Perth. The Annual Report and Accounts have been circulated, and it is hoped that all members who can possibly do so will set this one night aside for a discussion of their Institute's affairs.

South Australian Division

The Annual General Meeting of this Division was held on February 25 in the Library of the Institute to receive the report and accounts and to elect Councillors and the Auditor for 1941. The retiring Councillors (Messrs. A. J. Dobson, F.I.C.A., H. C. Thomas, F.I.C.A., and N. S. Young, A.I.C.A.) were re-elected. Mr. H. H. Sando, F.I.C.A., who also retired, did not seek re-election and Mr. R. S. Turner, A.I.C.A., was appointed in his stead.

A hearty vote of thanks was accorded to the retiring Councillors, and in particular to Mr. Sando, who has served as Councillor for 18 years and State President from 1933 to 1935.

Mr. E. A. Gibson was re-elected Auditor for the ensuing year.

The Council has decided not to hold purely social functions during the war, but asked members for their opinion regarding the formation of Study Circles to consider, as a first step, the new Taxation measures. The idea met with strong support and the Council was asked to appoint a sub-committee at its next meeting to proceed with the project forthwith. Members who are interested are invited to register their names with the Registrar immediately. Meetings will be held in the luncheon hours.

New South Wales Division

Newcastle Branch

The fourth Annual Meeting of the Newcastle Branch was held at Dell Cafe, Newcastle, on February 21.

The adoption of the Annual Report and Accounts was moved by the Branch President, Mr. T. O. Barron, A.I.C.A., and seconded by the Vice-President, Mr. A. D. Brigden, A.I.C.A. Messrs. A. D. Brigden and R. F. G. Downes were re-elected to the Council and Mr. J. E. Capper, A.I.C.A., re-elected Auditor.

At the Annual Dinner, the Mayor of Greater Newcastle (Ald. W. E. Young), in proposing the toast of "Commonwealth Institute of Accountants," said that accountants were specially qualified to play an important part in the formulation of plans to meet the difficulties of post-war reconstruction. The problem would be complicated, but the members of the Institute could perform a national service by applying their knowledge to the discovery of a solution. He believed that the study of Accountancy was an essential adjunct to any profession or business.

Mr. B. A. Helmore, President of the Business Men's Club of Newcastle, agreed that accountants would have a tremendous task in adding the debits and credits after the war and striking a balance.

Mr. C. G. Schroder, President of the Hunter District Water Board, referred to the functions now being carried out by accountants in business and industry.

The State President, Mr. A. Clunies Ross, B.Sc., F.I.C.A., in replying to the toast, said the establishment of a Central Register in each State was an advance towards the desired unification of Institutes. Accountants were performing a great deal of honorary work for national service. There may be considerable changes in our social structure after the war and accountants would be called upon to assist in the restoration of business activities.

The toast of "The Visitors" was proposed by the Branch President, Mr. F. H. Hawkins, M.L.A., responding.

Included in the assemblage were Mr. F. Howe Talbot, State Vice-President; Mr. C. H. Prosser, a member of the Divisional Council; Mr. E. W. Ernest Jones, State Registrar; Lieut.-Commander Rowland, R.A.N.; Mr. W. V. Crothers (Apex Club); and K. C. Geary (Rotary Club).

Obituary

We regret to record the death of the following members:—

Mr. Thomas Welsby, a Life Member of the Queensland Division, who died at the age of 82 years, after a long illness. Mr. Welsby had been a member since 1891.

Mr. Henry Theodore Skillman, A.I.C.A., of Adelaide, who was killed in a R.A.A.F. accident in January last.

Personal

Mr. F. L. Martin, A.I.C.A., advises that he has admitted Mr. W. J. Gartner, A.I.C.A., as a partner. The business will be carried on under the firm name of F. L. Martin, Gartner & Company.

It is with great pleasure that we report the appointment of Mr. S. J. McGibbon, who is well known to members of this Institute, to the post of Commonwealth business and financial representative abroad, on matters relating to defence services. Mr. McGibbon will work in close collaboration with the High Commissioner (Mr. Bruce) in London, the G.O.C. of the A.I.F. in the Middle East, and with other senior Army and Air Force officers abroad.

Mr. Neville B. Newland, Adelaide, notifies that he has changed his address to Steamship Buildings (2nd floor) 17 Currie Street.

Commonwealth Institute Students' Society

New South Wales Division

The Society's first meeting in 1941 was held at the Institute's Conference Room, Sydney, on Thursday, January 30, when a very interesting and instructive lecture, entitled "Administration of Deceased Estates," was delivered by Mr. G. M. Webb, LL.B.

In the absence of the President, Mr. C. H. Prosser, F.I.C.A., and the Vice-President, Mr. E. W. Town, A.I.C.A., the chair was occupied by Mr. P. E. Wiltshire, A.I.C.A.

The chairman extended a cordial welcome to the members, and, for the benefit of new members, briefly outlined the objects of the Society.

Mr. Webb's lecture was listened to with profound interest, and a hearty vote of thanks to the lecturer was proposed by Mr. C. H. Atkins and carried by acclamation, Mr. Webb suitably acknowledging the compliment.

At the conclusion of the meeting, the chairman invited the members to submit suggestions for attracting larger attendances at the Society's meetings. Although the attendance on that occasion was quite good, it was much too small in proportion to the membership of the Society. The Committee is very anxious that the attendances should be increased, and will be pleased to consider any suggestions, which members care to offer towards making the meetings more attractive.

Victorian Division

Members are reminded of the Essay Competition, closing on March 31. It is open to all members, who may choose any of the following subjects:—

(a) Methods of Accounting for Stock in Retail Stores.
(b) Accounting for Indirect Manufacturing Expense.
(c) The Development of the Central Banking Functions of the Commonwealth Bank.

From 1,500 to 3,000 words is suggested as a suitable length, but essays exceeding 3,000 may be submitted. Prizes to the value of £5/5/-, including £2/2/- donated by Mr. E. Pyke, F.I.C.A., are offered. A special prize of £1/1/- will be awarded for the best essay submitted by a member who has not yet completed the examinations of any accountancy institute. This amount will be paid whether or not the member has secured the first prize of £3/3/- or second prize of £1/1/-.

A nom-de-plume must be used by the essayist. Essays are to be forwarded to the Secretary, 37 Queen Street, Melbourne, C.1, in a sealed envelope, marked "Essay Competition," and name and address are to be supplied in another sealed envelope marked on the outside with the nom-de-plume used.

February Meeting

On Wednesday, February 26, Mr. R. Adamson, A.I.C.A., Editor-in-Chief, Hemingway & Robertson Pty. Ltd., lectured on "Control Accounts under Standard Costing." There was a good attendance of members, the President of the Society, Mr. P. W. Marsland, A.I.C.A., being in the chair.

Specimen workings were made available to all present in order that the explanations of the accounts to record the variances could be readily followed. Mr. Adamson demonstrated how the variances were reflected in the Profit and Loss Statement, and then explained how the Cost Accounts and the general financial accounts could be co-ordinated.

At the conclusion, a hearty vote of thanks was accorded to Mr. Adamson on the motion of Mr. A. H. Blamey, seconded by Mr. L. Anderson.

Prior to the meeting, the President presented to Mr. L. G. Vial the gold medal won by him in securing the highest aggregate of marks in the subjects of Advanced Accounting and Advanced Auditing at the October, 1940, examination.

Western Australian Division

At the first Monthly Meeting this year, held on January 16, a number of new members was welcomed.

Mr. R. M. Hadley, A.C.A., A.I.C.A., of the National Cash Register Co., gave a most interesting address on "Machine Accounting."

Mr. E. J. Hurst, Secretary of the Chartered Accountants' Research Society, which has gone into recess for the duration of the war, moved a vote of thanks, which was carried most heartily. It is expected that a resume of this address will shortly be circulated.

February Meeting

On February 19, Mr. C. E. Buchan, of the Securities Department, National Bank, Perth, kindly addressed a large attendance of nearly thirty students. He selected for his subject "A Talk on Bills of Sale," and held their keen attention with his complete and careful presentation. Mr. Buchan's answers to the many questions were recorded, and it is hoped that these and a resume of his address will be reproduced in the near future.

Study Groups

These have again been formed for the various examination subjects, and any candidate wishing to attend should enquire at the Institute immediately.

Future Lectures

Arrangements have been made for the following lectures to be delivered:—

April—"Bankruptcy Law in Practice," by F. M. Melsom, A.C.A.
May—"Insurance Yesterday and To-day," by F. O. Tattle.
June—"Hire Purchase Finance," by C. McB. Bryan.

Model Answers

Several copies of Mr. E. Pyke's "Model Answers" to Intermediate and Advanced Accounting Papers are available for 1939-1940 examinations at the nominal fee of 9d. per set.

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APRIL 15, 1941

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas, are as follows:—

The Cost Accountant

October-November, 1940:	Costing—Marginal and Conventional.
	Milk Distribution Costs.
	War-time Saving and Spending.
December, 1940:	War-time Labour Management.
	Contract Cost Accounts.

N.A.C.A. Bulletins

December 15, 1940:	Effect of the New Excess Profits Tax on Preparation of 1940 Corporate Income Tax Returns by H. E. Howell.
January 1, 1941:	Distribution of Manufacturing Expenses by S. G. H. Fitch.
	Research Tool and Engineering Costs by H. G. Papenfoth.
February 15, 1941:	Economy Through Use of Office Standards by E. B. Gage.
	Measuring Accounting Results by W. D. Little.
January 15, 1941:	Unit Functional Analysis of Distribution Costs by L. E. Rossiter.

Admissions

Admission as Associate—

New Zealand

L. M. Browning, A. H. Fawcett, D. McCaskey, N. L. Piesse.

Victoria

D. J. Carroll, D. McDonnell.

New South Wales

J. G. Dawson, W. A. Dean.

Commonwealth Institute of Accountants

Members on Active Service

New South Wales

D. I. Fraser, L. C. Gee.

Victoria

R. A. Jones, D. B. Taylor.

New Zealand

K. G. Tucker.

Admissions and Advancements

Admission as Provisional Associate—

New South Wales

D. G. Dunlop.

Victoria

W. R. Davis, Miss B. G. Dunbar.

Admission as Associate—

Victoria

E. A. B. Graham.

South Australia

H. G. Burdon.

Advancement to Fellow—

Tasmania

A. D. Peacock.

New South Wales

M. E. Malone.

Accountancy Textbooks for A.I.F.

In response to the appeal by the Council for textbooks for use of the accounting personnel of the A.I.F. abroad a number of members have kindly donated books, lectures and journals. These, together with a number of books provided from the library are being sent to the Chief Auditor at regular intervals.

Should there be any other members who wish to donate books for this purpose, it is still not too late to do so.

Victorian Division

Office-bearers

At the March meeting of the Divisional Council the following Office-bearers were elected:—

State President: Mr. V. L. Solomon, F.I.C.A.
State Vice-President: Mr. A. M. Hislop, F.I.C.A.
Honorary Treasurer: Mr. E. Pyke, F.I.C.A.

New South Wales Division

Annual General Meeting

The Annual General Meeting of the New South Wales Division was held at Hordern Brothers Ltd., Sydney, on Wednesday, March 5, 1941.

There was a large attendance, and the chair was occupied by the State President, Mr. A. Clunies Ross, F.I.C.A., who in proposing the adoption of the Annual Report and Financial Statements, referred to three activities, viz.:—

(1) Central Register of Accountants, by means of which 200 accountants in this State are rendering valuable service for various types of accountancy work connected with Military, Naval, and Air units.

(2) Mobile Brain Surgical Unit provided by the members of the Institute, who had subscribed, for that purpose, a total of £930, of which members of the New South Wales Division subscribed £312.

(3) Audit of the Lord Mayor's Appeal Day.

In addition to the activities just referred to, no less than 90 members on full-time Active Service had been granted exemption from subscriptions "for the duration."

The Chairman also referred to the arrangement with the Sydney University Extension Board; the lectures had proved very popular, although there had been a noticeable falling off in attendance towards the end of the year.

The Newcastle Branch continued to function successfully, and during the year a Branch had been established at Canberra.

In concluding his presidential address, Mr. Clunies Ross paid a tribute to the work of the State Registrar and staff, who had been untiring in their efforts, notwithstanding difficulties and additional work occasioned by war-time conditions.

After the Honorary Treasurer, Mr. G. W. Brain, F.I.C.A., had elaborated on the financial statements, the motion for the adoption of the Annual Report and financial statements, which had been seconded by Mr. L. W. Leber, A.I.C.A., was put to the meeting and carried unanimously.

Messrs. T. D. Kelly, C.M.G., F.I.C.A., W. T. MacBride, F.I.C.A., J. W. Newington, A.I.C.A., and O. H. Paton, F.I.C.A., were re-elected Councillors, and Mr. G. R. Smith, F.I.C.A., was re-elected Auditor.

A show of hands was taken concerning the arrangement with the Sydney University Extension Board, and it was evident that members favoured a continuance of the arrangement, some lectures to be delivered on subjects of a technical nature, and some on subjects of a general nature.

Annual Social

The Annual Social was held immediately after the conclusion of the Annual General Meeting. On this occasion invitations had been issued to members of the Institute only, this departure from the usual practice of inviting representatives of Governments and of public bodies and kindred associations having been determined by the Council with regard to the prevailing war-time conditions.

The State President, Mr. A. Clunies Ross, F.I.C.A., introduced as the guest of the evening, his brother, Professor I. Clunies Ross, Dean of the Faculty of Veterinary Science, at the University of Sydney, who addressed them on the subject, "Australia, America, and the Future."

Light refreshments were dispensed and an enjoyable programme of harmony was rendered.

Mr. A. Clunies Ross, B.SC., F.I.C.A., has been re-elected State President of the New South Wales Division; Mr. F. Howe Talbot, F.I.C.A., State Vice-President, and Mr. G. W. Brain, F.I.C.A., Honorary Treasurer. The Council passed a vote of appreciation to Mr. A. Clunies Ross for his services during the past year, which were distinguished for fairness and efficiency.

Canberra Branch

The first Annual Meeting of the Canberra Branch was held at the Hotel Canberra on February 28, 1941.

The Branch President, Mr. J. T. Pinner, F.I.C.A., presided, and moved the adoption of the Report of Council and Financial Statements.

Messrs. J. Brophy, F.I.C.A., and P. P. Cox, A.I.C.A., were elected to the Branch Council, and Mr. R. H. Hewson, A.I.C.A., was re-elected auditor.

At the conclusion of the Annual Meeting a Smoke Concert was held.

The Branch President extended a welcome to the representatives of the New South Wales Divisional Council, Messrs. A. Clunies Ross, F.I.C.A., State President, O. H. Paton, F.I.C.A., J. W. Newington, A.I.C.A., and E. W. Ernest Jones, State Registrar, and also to the High Commissioner for Canada, Dr. Burchill, K.C., heads of Government Departments and representatives of the business community. Mr. Pinner referred to the rapid progress which had been made by the Canberra Branch and to the inauguration of a Library and Students' Society.

Much enthusiasm was manifested in the proceedings which lasted to a late hour.

Queensland Division

Annual Meeting

The Annual Meeting of the Queensland Division was held at Princes Restaurant on March 18. There was a large attendance of members, and, at the conclusion of the formal business, a very interesting and instructive address was delivered by Professor Alcock, Dean of the Faculty of Commerce of the University of Queensland. His subject was "Accountancy as a Profession in its Relation to Higher Education, and its Value in both Normal and Abnormal Times."

The Council has decided to publish the lecture, and to make it available to members of the Division and students.

Election of Office-bearers

At the March meeting of the Council, Mr. E. N. Ham, F.I.C.A., was elected State President for the current year, and Mr. W. Gray, A.I.C.A., State Vice-President.

North Queensland Branch

Annual Report

The members of the Institute met in Townsville, on December 6, 1939, and unanimously decided that it desired to establish a Branch of the Institute, to be known as the North Queensland Branch. The Queensland Divisional Council gave its approval to the suggestion and the Branch came into existence on January 1, 1940.

The following were elected to the first Branch Council:—Messrs. C. T. Leach,

F.I.C.A., D. A. Campbell, F.I.C.A., H. D. T. Williamson, A.I.C.A., E. N. Jobst, A.I.C.A., and J. V. Sullivan, A.I.C.A. At the first Council meeting Mr. C. T. Leach, F.I.C.A., was elected President and Mr. H. D. T. Williamson, A.I.C.A., Vice-President of the Branch.

The total number of members on the Branch Register is 40.

A small beginning has been made with the Branch Library for the use of members and students, and the Council recommends its use to the members.

The Branch is proud of the fact that the name of the Hon. A. W. Fadden, M.H.R., the Acting Prime Minister and Treasurer of Australia, is on its Register and records its appreciation of the able manner in which he is fulfilling his office.

South Australian Division

At a meeting of the South Australian Divisional Council held in March, Mr. H. C. Thomas retired from the Presidency and was warmly thanked for the considerable assistance he has given the Division during his two years' term of office.

Mr. N. B. Newland, who has been Treasurer for several years past, resigned and was also thanked for his services in this connection.

Mr. G. J. B. Pridham was elected President for the ensuing year and Mr. A. J. Dobson as Vice-President. Mr. C. A. E. Sullivan was elected Treasurer.

A 20% increase in the number of examination entries as compared with April last year was reported.

Commonwealth Accountants Students' Society

New South Wales Division

At the meeting of the Society held on March 13, a lecture on Federal Income Tax was delivered by Mr. J. A. L. Gunn, F.I.C.A.

The chair was occupied by the President, Mr. C. H. Prosser, F.I.C.A., who said that Mr. Gunn had done so much for the Society, and was so well-known to the members, that he needed no introduction to them.

Mr. Gunn said that the subject of Federal Income Tax was so broad that a survey of the whole field could not possibly be completed in one evening, and therefore he proposed to deal only with certain aspects of it. His lecture dealt particularly with the recent Amendments to the Federal Act and with the Private Company Tax and Wartime Company Tax.

Mr. Nolan proposed a hearty vote of thanks to the lecturer for his interesting and instructive lecture, and in acknowledging the expression of gratitude, Mr. Gunn said that it was always a pleasure to him to help the Students' Society by addressing the meetings.

Victorian Division

On Wednesday, March 12, Mr. N. N. Dutneall, F.I.C.A., of the accountancy firm of Messrs. W. Leslie V. Porter & Dutneall, lectured on "Executorship Accounts." In the absence from Melbourne of the President (Mr. P. W. Marsland, A.I.C.A.), Mr. E. V. Craven, A.I.C.A., Past President, occupied the chair.

Mr. Dutneall, from his long experience as an accountancy coach, knows the difficulties that students experience in studying Executorship Accounts.

Throughout his lecture, he showed the close relationship between the accounts of an Executor and those of a trader, and demonstrated that common principles applied to both types of accounts. Some useful advice on the answering of questions was given.

At the conclusion, a hearty vote of thanks was accorded to Mr. Dutneall on the motion of Mr. R. H. Simpson, seconded by Mr. L. G. Vial.

On Wednesday, April 23, Mr. G. A. Weller, B.COM., A.I.C.A., will be the lecturer, and his subject, "The Banking System, Its Operation and Control."

The lecture, while having special value for those members who will be sitting for examination in the subject of Banking, Finance and Foreign Exchange in May, should be of interest to all members. Mr. Weller is a Past President of the Society, and is a lecturer in the Commerce Course of the University of Melbourne.

Obituary

We regret to report the death of Mr. Robert Lowrie, a member of the Queensland Division of the Students' Society.

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Institute News and Notes
Supplement to "The Australian Accountant"
Published Monthly for the Commonwealth Institute of Accountants and The Australasian Institute of Cost Accountants.

MAY 15, 1941

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas are as follows:—

N.A.C.A. Bulletins.

February 1, 1941:	Cost Reports for Operating Heads, by I. D. Dawes. Cost Reports for Management, by Harry E. Howell.
March 1, 1941:	Expense Control at Varying Volumes of Sales and Production, by S. A. Peck.
March 15, 1941:	Cost Accounting in Commercial Banks, by Harold E. Randall.

Admissions and Advancements.

Admission as Associate—

Victoria

S. S. Blair.

New South Wales

E. J. Ryan, R. W. Ellerman.

West Australia

C. Thomas.

Advancement to Fellow—

West Australia

W. C. Harris, H. F. Sanders.

Victorian Division.

The Annual Meeting of the Victorian Division was held at the Chamber of Manufactures Hall, in Flinders Street, on Thursday, April 3, 1941, at 8 p.m.

Having regard to existing conditions, the usual entertainment and social function were dispensed with, and no invitations were issued to other Institutes or kindred bodies.

Following the completion of the formal business, Mr. J. R. McKenzie, our President, favoured members with an address entitled "After the War—The Prospects for the Cost Accountant." This address was of absorbing interest, and the keen observations of the speaker were appreciated by all present.

Mr. J. E. Morten, who has represented the Institute on the Central Committee of the Central Register of Accountants, then gave a brief outline of the work that has been accomplished by accountants in assisting the war effort.

At the conclusion of the meeting a buffet supper was served, when members took the opportunity of the brief interlude for the enjoyment of "bon camaradie."

Commonwealth Institute of Accountants

Tasmanian Division

At the April meeting of the Council, the following office-bearers were elected:

State President, Mr. S. C. Hawker, A.I.C.A.

State Vice-President, Mr. L. G. Morgan, A.I.C.A.

Hon. State Treasurer, Mr. T. A. Stump, F.I.C.A.

Mr. T. A. Stump was re-elected as Divisional Representative on the General Council, and Mr. H. C. Orbell was re-elected Auditor.

At the meeting of the Council held on Monday, May 5, it was decided to make an appeal to members for books for a library in the Middle East for use of the Army Pay Corps, including students desirous of keeping up their studies. The circular in this connection would be sent to members together with a copy of the new library catalogue, which includes a number of new books added to the library at Hobart.

South Australian Division

At the April meeting of the Council, Messrs. G. H. Harris and D. G. Jamieson, recently admitted to membership, were introduced to members of the Council, and Diploma Certificates were presented to them.

Western Australian Division

Annual Meeting

The Annual General Meeting of this Division was held on March 28, in the Board Room, Fifth Floor, Shell House, Perth. The State President, Mr. C. H. King, amplified his published report, which was adopted together with the audited accounts.

Two of the retiring Councillors, Messrs. S. H. Hubbard and E. E. Virtue (A.I.C.A.) were re-elected, but the office of Mr. J. V. Jukes, F.I.C.A., who did not seek re-election, was taken by Mr. A. E. N. Simpson, A.I.C.A., Manager of the English, Scottish and Australian Bank Ltd., Perth. A vote of thanks was accorded to Mr. Jukes for the work he had done during his term of office as Divisional Councillor and Treasurer.

Mr. C. A. Hendry, A.I.C.A., was re-elected Auditor for the ensuing year.

Several suggestions which were received for the improvement of the Institute's service to members will be dealt with by the Divisional Council.

Monthly Luncheon

The first monthly luncheon of the 1941 series was held on Thursday, April 17, at Karrakatta Club, St. George's Terrace, Perth. The speaker was Mr. W. Elliott, Inspector of Labour in Hong Kong, who was on furlough.

His talk on "Life in Hong Kong" was of great interest to members, who were warmly invited to seek assistance from the speaker should they be fortunate enough to be visiting that province.

Members are reminded that future notices of luncheons will be sent only to those who have made specific request.

Victorian Division

Annual Meeting

The Annual Meeting and Smoke Social was held at the Victoria, on March 5, at 8 p.m. In view of the decision of the Council to reduce all social functions to a minimum during the war, the meeting was purely a domestic one. The Annual Report and Accounts were received and adopted, and the retiring Councillors and Auditor were re-elected.

When moving the adoption of the Annual Report, the State President, Mr. V. L. Solomon, F.I.C.A., drew particular attention to the work of national service rendered by the Institute to the Australian Red Cross, the Department of Information and the

War Savings Certificate Campaign. He also referred to the work being rendered by members of the Institute in a voluntary capacity to various War Departments. Some members had given time equal to one month's full time service to these Departments. He expressed, on behalf of the Council and the Departments concerned, appreciation of this work.

Lieut.-Colonel J. Wallace Ross delivered an address dealing with the modern interpretation of the famous phrase, "An Army Marches on its Stomach." He compared the difficulties of provisioning a modern army with those experienced by Napoleon and Frederick. In modern warfare, the difficulties are accentuated by the speed with which the army moves.

Entertainment was provided by Messrs. J. Alexander Browne and K. Mountain.

Commonwealth Accountants Students' Society

Victorian Division

Two meetings were held during April. On Wednesday, April 2, Mr. L. A. Schumer, F.I.C.A., was the lecturer, and his subject, "Determination of Costs in Terms of Units." He dealt with Cost Accounting from various viewpoints, and explained the differences between Fixed and Variable Costs, Direct and Indirect Costs, and Average and Differential Costs. He described what is meant by "Units" in Cost Accounting, how Cost Units are selected, and the purposes for which they are determined. An interesting series of slides was thrown on the screen. At the conclusion of the lecture a vote of thanks was accorded to the lecturer on the motion of Mr. M. V. Anderson, F.I.C.A., seconded by Mr. C. N. Harris, A.I.C.A., of Perth.

Prior to the meeting, a welcome was extended to members of the group of students of the Southern Cross Accountancy College of Perth, W.A., who were visiting Melbourne for the purpose of studying costing systems. After the meeting they were entertained at supper by the Committee.

On Wednesday, April 23, Mr. G. A. Weller, A.I.C.A., B.COM., a Past President of the Society, and a lecturer in the Commerce Course of the University of Melbourne, gave an address on "The Banking System: Its Operation and Control." He explained the methods under which banks operate, contrasting the procedure in Great Britain, the United States and Australia. The functions of the Central Bank and its relations with commercial banks were outlined. The importance of Government control of banking operations, and how this control had been effected in Australia and elsewhere, were considered. After Mr. Weller had replied to a number of questions, a vote of thanks was accorded to him on the motion of Mr. R. A. Clarey, A.I.C.A., seconded by Mr. E. V. Craven, A.I.C.A.

The Society's sixteenth annual dance will be held at the Ormond Hall, Moubray Street (near St. Kilda Road), Prahran, on Saturday, May 31. Members are entitled to a free admission ticket on application to the Secretary, from whom also additional tickets may be secured at a price of 4/- (including tax). The arrangements which have given so much satisfaction in the past will be adhered to.

The forty-third Annual Meeting will be held in June. The annual report and accounts for the financial year ended April 30, 1941, will be circulated with the notice of the meeting. All office-bearers retire at the Annual Meeting. Nominations for President, Vice Presidents (3), Committee (7), Auditor, Secretary and Treasurer, should be lodged by May 24.

New South Wales Division

Examination Hints

At the meeting of the Society on April 8, the chair was occupied by the President, Mr. C. H. Prosser, F.I.C.A., and after the conclusion of formal business, Mr. H. J. Trist, F.I.C.A., addressed the meeting. The subject on the syllabus for the evening was "Question Box," but, as there were few questions submitted, Mr. Trist, after furnishing the desired answers, proceeded to address the members on Examinations, and proffered very valuable advice to students, basing his advice upon his experience as an examiner.

Mr. Trist assured the members that the Examiners were very careful to set the questions clearly, in order to avoid confusion in the minds of candidates. Candidates were advised to study the questions carefully; not to look for the "catch" in a

question, and not to content themselves by informing the Examiners that it "could not be done." Candidates were awarded marks for their work if they evinced a knowledge of the subject, even if they had not answered the question fully.

Candidates were advised to devote some attention to English; there were many words with which students were confused—words somewhat similar in pronunciation or spelling, but entirely different in meaning. It was essential that students should have a sufficient knowledge of English to enable them to express themselves clearly in writing.

After Mr. Trist, in a very interesting and lucid manner, had traversed the several subjects, and pointed out the way to avoid many of the difficulties common to examinees, a hearty vote of thanks to the lecturer was proposed by Mr. F. J. Ellis, and carried with acclamation.

West Australian Division

On March 19, Mr. C. Hasler, of the Bill Department, English, Scottish and Australian Bank Ltd., Perth, gave a very interesting talk on various aspects of banking procedure. A number of questions on bills, cheques, shipping documents, etc., which had been prepared, were replied to by Mr. Hasler.

On April 16, Mr. R. H. Jones, of Messrs. O. L. Haines and Co., addressed about 20 students on the subject of "Cost Accounting." He drew comparisons between the methods of arriving at standard costs and actual costs, and dealt with several questions.

Personal

The partnership hitherto carried on by Messrs. E. R. D. Stinson, F.I.C.A., and F. F. Porter, A.I.C.A., of Sydney, has been terminated by mutual consent. Messrs. Stinson and Porter will in future practise in their own names.

Mr. C. R. Rowe, A.I.C.A., has been elected President of the Newcastle Branch, and Mr. R. F. G. Downes, A.I.C.A., Vice-President.

The Institute's congratulations are extended to Mr. J. W. Newington, a member of the New South Wales Divisional Council, upon his elevation to the status of Fellow. Mr. Newington has been actively associated with the Institute in Victoria and New South Wales for the past thirty years.

The congratulations of the Commonwealth Institute have been conveyed to Brigadier A. S. Allen, of Sydney, who has been awarded C.B.E. Brigadier Allen, who is a well-known Practising Accountant, left Sydney with the first A.I.F. contingent in the present war as Commanding Officer of a New South Wales Brigade. In the last war Brigadier Allen won the D.S.O., and the Croix de Guerre.

We have pleasure in reporting the appointment of Mr. T. H. Elder, A.I.C.A., of McIlwraith, McEacharn Ltd., Perth, to the managership of his firm in Adelaide.

Congratulations are extended to Mr. S. W. Griffith, F.I.C.A., of Sydney, upon his appointment as Finance Member of the Merchant Shipbuilding Commission, appointed by the Commonwealth Government. Mr. Griffith is already a Member of the Accountancy Advisory Panel.

Mr. Allen S. Simpson, A.I.C.A., of Sydney, has been admitted into the Accountancy firm of James Simpson & Son.

Obituary

Mr. J. A. Boden, F.I.C.A., who died recently in Sydney at the advanced age of 81 years, was a foundation member of the former Institute of Incorporated Accountants of New South Wales. Prior to the appointment of a permanent Registrar in 1908, Mr. Boden conducted the Secretarial duties of that Institute in an honorary capacity. Mr. Boden was admitted a Fellow of the Commonwealth Institute under the amalgamation of 1930.

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Institute News and Notes

Supplement to "The Australian Accountant"

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JUNE 15, 1941

Personal

Mr. J. F. Govers, A.I.C.A., has commenced practice as a Public Accountant at E. S. & A. Bank Building, Burwood (Sydney).

Lieutenant H. L. Thomas, A.I.C.A., Chief Clerk of the New South Wales Division, has enlisted in the Armoured Division of the A.I.F. Lieutenant Thomas was recently married in Sydney and received the congratulations of Divisional Councillors and staff.

Mr. D. J. Nolan, A.M.I.E. (AUST.), F.I.C.A., Assistant General Manager of the Sydney County Council, has accepted an appointment as Managing Director of the Clyde Engineering Co. Ltd., and will undertake special duties in the Ministry of Munitions. He has been granted leave of absence by the Sydney County Council.

Mr. E. A. Gibson, A.I.C.A., of Adelaide, has been appointed Branch Secretary of the Australasian Institute of Secretaries in South Australia.

Obituary

We regret to record the death of Mr. Frederick Robert Boyce, F.I.C.A., who was a member of the Western Australian Division from 1915. A resident partner of the firm of Flack and Flack, with whom he had been associated for fifty years, Mr. Boyce played an important part in Institute affairs in Western Australia. For many years he was Divisional Councillor, and in 1931 was State President.

With regret, we record the early demise, on May 15, after a short illness, of Mr. W. I. Lawrence. Mr. Lawrence was a relieving Manager of the State Savings Bank of Victoria, and well known for his long association as honorary secretary of choral and patriotic societies. He was an honorary life member of the Australian Choral Association. To his widow and relatives, we extend our sincere sympathy.

Commonwealth Institute of Accountants

Admissions and Advancements

Admission as Provisional Associate—

Victoria

W. E. F. Berry, A. J. Hulett, C. J. Martin, L. G. Vial, L. M. Hogben.

New South Wales

J. H. Brennan, J. A. Creagh, G. P. Falls, B. A. Symonds.

Admission as Associate—

Victoria

F. C. Sayers.

Advancement to Fellow—

New South Wales

J. W. Newington

Federated Malay States

G. S. Scott

New South Wales Division

On Tuesday, May 13, at a meeting of the Institute at Sydney, a lecture entitled "The Organisation and Administration of a Large Public Utility" was delivered by Mr. E. A. Cupit, F.C.I.S., A.I.C.A., Assistant Treasurer of the Sydney County Council (Electricity Undertaking) and State President of the Chartered Institute of Secretaries.

There was a good attendance, and the chair was occupied by the State President, Mr. A. Clunies Ross, F.I.C.A., who introduced the lecturer.

At the conclusion of the address, the lecturer answered several questions, and extended an invitation to those present to pay a visit of inspection of the methods or systems in use.

A hearty vote of thanks to the lecturer was proposed by Mr. L. B. Callaghan, A.I.C.A., and carried with acclamation, Mr. Cupit formally acknowledging the compliment.

Accountancy Textbooks for the A.I.F.

The New South Wales Divisional Council recently made an appeal to members for accountancy works for the use of the A.I.F. in the Middle East.

In response to the appeal, a number of members have donated books and journals which should be most useful to accounting members on active service.

Further donations would be appreciated.

Following the lectures by the Sydney University Extension Board, the New South Wales Divisional Council has arranged for a series of monthly lectures to be given by prominent accountants and business men on subjects of general interest.

The first lecture was delivered on May 13 by Mr. E. A. Cupit, F.C.I.S., A.I.C.A., Assistant Treasurer of the Sydney County Council on "The Organisation and Administration of a Large Public Utility."

Further lectures will be given by:—

Mr. E. S. Spooner, F.C.A. (AUST.), M.P., Chairman of the Man Power and other Resources Committee.

Mr. A. E. Heath, C.M.G., President of Sydney Chamber of Commerce and formerly Agent-General for New South Wales.

Mr. I. D. Stewart, B.EC., Office Manager of David Jones Ltd.

Metropolitan members of the New South Wales Division who are interested in the above series of lectures are requested to advise the State Registrar.

Western Australian Division

Monthly Luncheon

Members of this Division were very fortunate in having arranged for them an address by Dr. K. Schechner, late Doctor of Philosophy at the University of Vienna, and now of Sydney, who was on a short visit to this State under the auspices of the University Students' Christian Movement.

At the luncheon, held on May 15, Dr. Schechner outlined what he considered to be the main differences between a Democracy and a Dictatorship. He endeavoured to impress listeners with the philosophy behind Universal Suffrage and the necessity of their accepting the obligation of voting while expecting the privileges of democratic freedom.

A hearty vote of thanks was accorded the speaker by Mr. A. Simpson, and carried with acclamation.

Mr. J. O. Love, Superintendent of the Western Australian School for Deaf and Dumb Children, who kindly postponed his address until the next luncheon, will be heard on June 19.

Commonwealth Institute Students' Society

New South Wales Division

On Thursday, May 22, at the meeting of the Society, held at the Institute's Conference Room, a very interesting and instructive lecture entitled "Uses of Financial Ratios" was delivered by Mr. A. Clunes Ross, B.SC., F.I.C.A., State President of the Institute.

The chair was occupied by the President, Mr. C. H. Prosser, F.I.C.A., and there was a good attendance.

The lecturer explained the various uses of financial ratios, and to enable members to

follow the lecture closely, he distributed copies of a carefully prepared statement showing numerous relationships of Balance Sheet figures and Income figures.

At the conclusion of the lecture, Mr. Ross answered a number of questions, after which a hearty vote of thanks to the lecturer was proposed by Mr. J. Adam, and carried with acclamation.

West Australian Division

On Wednesday, April 23, Mr. Finn Melsom, A.C.A. (Aust.), lectured to members of the Society on the subject of "Bankruptcy Law in Practice." The speaker referred to many little problems that arise in practice and clearly explained how parts of the Act are administered by Registered Trustees.

Mr. Harry Coulsell moved a vote of thanks, which was heartily supported.

Mr. Philip H. Wicksteed

The Society sincerely regrets losing the services of its Honorary Secretary, but takes much pleasure in congratulating him on his appointment as Assistant Accountant to the Pahang Consolidated Co. Ltd. in Malaya.

Mr. Wicksteed completed the examinations of this Institute last October, obtaining highest marks in the State for Advanced Accounting, and was recently advised of his success in the examinations of the Australasian Institute of Secretaries, obtaining the highest aggregate marks in the State.

Before leaving to take up his new appointment, early in June, Mr. Wicksteed was married to Miss E. Harrison, also of the Shell Co. of Aust. Ltd., who has assisted the Society on various occasions.

The Committee and members wish Mr. and Mrs. Wicksteed every success in their new sphere.

Model Answers

Members who wish to obtain copies of Mr. E. Pyke's "Model Answers" to Intermediate and Final Accounting papers in the April, 1941, examinations, are advised to notify the Institute of their requirements.

Victorian Division

Five entries were received for the essay competition which closed on March 31. The adjudicator, Mr. G. A. Weller, has awarded first price of £3/3/- to Mr. H. Thornton, of Bentleigh, and second prize of £1/1/- to Mr. H. B. Misson, of Balwyn. Both these essayists took as their subject "The Development of the Central Banking Functions of the Commonwealth Bank." The special prize of £1/1/- to the member who has not completed his examination course was won by Mr. H. F. Elsey, of Essendon, whose essay was on "Methods of Accounting for Stock in Retail Stores."

It has been decided by the Committee that members who have enlisted for active service abroad will be supplied with *The Australian Accountant* each month, if they desire to continue receiving it regularly, on payment of 5/- per annum, the balance of the cost of this service being borne by the Society.

Model Answers to the accounting questions of the April Intermediate examination, prepared by Mr. E. Pyke, F.I.C.A., are now available and may be had on application.

The Society's sixteenth Annual Dance was held at the Ormond Hall on Saturday, May 31, when about 260 members and their friends attended, and an enjoyable evening was had by all. The guests included the General President of the Institute (Mr. A. A. Fitzgerald), the State President (Mr. V. L. Solomon) and the Registrar (Mr. C. W. Andersen). Kindred Societies were represented by Mr. R. E. Gregory, Hon. Secretary, The Federal Institute of Accountants Students' Society; Mr. H. S. Simpson, Hon. Secretary, Melbourne University Commerce Graduates' Association; and Mr. Geo. Harvey, Hon. Secretary, the Geelong Accountants' and Business Men's Society.

There was a good attendance of members at the meeting on Wednesday, June 4. Mr. E. Pyke, F.I.C.A., who was to have conducted the demonstration of the workings of the accounting questions set for the April Intermediate examination, was indisposed and could not be present. In his absence, his partner, Mr. P. Hosking, F.I.C.A., very capably demonstrated the solutions. In addition to explaining the principal points involved in the workings he gave much useful advice to students and answered a number of questions.

At the conclusion a vote of thanks was accorded to Mr. Hosking, on the motion of the President, Mr. P. W. Marsland, A.I.C.A., who was in the chair, seconded by Miss J. M. Boyd, A.I.C.A., Past President.

The lecture on "Executorship Accounts" given by Mr. N. N. Dutneall, F.I.C.A., in March, has been published in pamphlet form and will be issued to all members, free of cost, with the Annual Report. Non-members may obtain copies at the price of 1/6 each.

The Australasian Institute of Cost Accountants

EXAMINERS' REPORTS

Final Examination—March, 1941

Costing—First Paper

The standard of answers submitted in this paper was fairly high. Of the 39 candidates, 22 obtained more than 65% of marks. The arithmetic average of the marks obtained by candidates was 66%, and the median 66%.

As to the specific questions:

In Question 1, 19 candidates obtained more than 65%. The arithmetic average of the marks awarded in this question was 53%, and the median 60%.

In Question 2, 20 candidates obtained more than 65%. The arithmetic average of the marks awarded in this question was 64%, and the median 68%.

In Question 3, 18 candidates obtained more than 65%. The arithmetic average of the marks awarded in this question was 60%, and the median 60%.

In Question 4 21 candidates obtained more than 65%. The arithmetic average of the marks awarded in this question was 72%, and the median 72%.

In Question 5, 34 candidates obtained more than 65%. The arithmetic average of the marks awarded in this question was 73%, and the median 80%.

Thus, a great majority of candidates handled question 5 satisfactorily, and the answers to the other four questions tended to be fairly uniform. The principal weaknesses in the answers to questions 1 to 4 were as follow:

Question 1. Many candidates answered this question without regard to the fact that, *for some purposes,* it may be desirable to have regard to interest. In a great number of cases, also, the reasons for and against were not adequately developed.

Question 2. A great number of candidates overlooked the important point that a job-cost plan is generally more expensive to operate than a standard-cost plan. Some uncertainty was shown as to the way in which the valuation of finished product at standard, where standard differs materially from actual, might be avoided.

Question 3. The reasons for the departmentalisation of manufacturing expense were not adequately enumerated by many candidates. In particular, many overlooked the important point that departmentalisation is desirable in order to establish differential expense rates for the various departments. The question as to the matters which should be considered in setting up a plan of departmentalisation was frequently misunderstood, and candidates tended to deal, under this heading, with the method of handling departmental expense in the accounts, rather than with the planning of the departments.

In the specimen classifications of departmentalised manufacturing expense accounts which were submitted, many made no provision at all for departmentalisation.

Final—Commercial Law

The answers on this paper showed careful preparation, and most candidates obtained good marks. A pleasing feature was the sound knowledge displayed by candidates of the main principles around which our industrial Wages Awards are built up.

Intermediate Examination

Cost Accounting (Subject D.)

The work on this was of a satisfactory standard.

Book Keeping and Accounts (Subject A.)

The answers were generally good, but some candidates failed to appreciate the value of a "perpetual inventory" in the preparation of a Monthly Profit Statement.

Note.—Owing to space limitations, it has been necessary to defer the usual monthly notes, giving priority to the Examiners' Reports on the March examination papers.

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Institute News and Notes

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JULY 15, 1941

Commonwealth Institute of Accountants

General Council Meetings

As a war time measure of economy, meetings of the General Council were held in Melbourne during the week commencing Monday, May 12, instead of Adelaide as previously arranged. For the same reason, social functions were dispensed with, including the Smoke Social usually held in conjunction with the Annual Meeting of the Institute. The following Councillors were present at the meetings: Messrs. A. A. Fitzgerald (President, in the Chair), M. F. Beevor (S.A.), T. F. Brennan (Vic.), J. G. Davis (Vic.), S. W. Griffith (N.S.W.), O. H. Paton (N.S.W.), R. F. Rushton (W.A.), T. A. Stump (Tas.), H. J. Trist (N.S.W.), and C. D. Wrigley (Qld.).

Committee Reports

All phases of Institute activity were covered by written reports submitted to members of the Council prior to the meetings. The reports enabled Councillors to give detailed consideration to important aspects of policy in the shortest possible time. The following is a brief summary of matters of general interest dealt with by the Council.

Executive Committee

Policy During the War

The Council gave careful consideration to the Committee's review of the factors likely to affect the Institute during the war. It re-affirmed the principle that the Institute could best serve the nation's war effort by utilising its existing organisation to assist Government Departments and Patriotic Appeal Bodies, rather than by curtailing its facilities with a view to passing portion of its funds over to the Government. It decided also, that in order to provide the greatest measure of assistance to the nation's war effort, notwithstanding a smaller income, ordinary expenditure of General Council and of the Divisions should be reduced so far as was compatible with the maintenance of an effective organisation for the major objectives of the Institute.

Central Register of Accountants

The Committee reported fully on the work of the Register, which has been the means of harnessing accounting services to the war effort.

Appeal for Brain Surgery Unit

The Council was pleased to learn that good progress has been made with the assembly of the brain surgery unit to the cost of which members of the Institute had contributed £928.

Library in the Middle East

Several parcels of books have been sent to Base Headquarters in the Middle East and conversations are taking place with the Director of Army Education regarding library facilities in general.

Organisation of Divisions

The Committee submitted a detailed report of the progress made with the development of the Institute in each State. In addition to the continuation of extensive activities in Victoria and New South Wales, an intensification of organising work was noticeable in Western Australia, South Australia, Queensland and Tasmania. Branches were inaugurated during the year at Canberra, Townsville and Launceston. Extended office accommodation and library facilities had been provided in Hobart.

"The Australian Accountant"

The Council was pleased to note that in spite of rising costs and paper rationing the extent and high standard of matter had been maintained during the year. Appreciating

the value of the publication to members in general, the Council decided that it did not wish any material change to be made in the size and form of *The Australian Accountant* for the purpose of effecting economies. It considered that an informative journal was an important aid to members in war time, when conditions, legislation and taxation were changing rapidly.

Year Book

The Council approved of the publication of a revised list of members during the current year, as four years have elapsed since the issue of the last list. In order to save paper and reduce the cost of printing, members' names will be listed in alphabetical order only. As previously announced, a copy will not be sent to each member, but any member requiring a copy can obtain one on application to his State Registrar.

Advisory Committee of Accountants

Each Divisional Council has been asked to appoint a Committee to examine the report of the State Auditor General, with a view to supporting recommendations for the improvement of public accounting and finance.

Finance Committee

Realising that the finances of the Institute would need skilful handling during the war, the Committee reviewed all items of income and expenditure in a report of twenty-nine pages. An interim report submitted during the year had enabled certain adjustments to be made to the Budget approved in March, 1940, with a view to reducing the deficit at the end of the year. Particular attention was given to the finances of examinations. In addition to cuts in direct expenditure, an offer by the Examiners to accept lower fees during the war will enable the examination account to break even this year. As a result of this review, members can be assured that Institute funds are being used as economically as possible and employed to the best advantage.

Education Committee

Examinations

The Committee reported on further adjustments made in examination arrangements in order to meet the convenience of candidates. A standard time of 3½ hours in which to answer all question papers was adopted and the time at which examinations commence was changed from 6 p.m. to 6.30 p.m.

Text-books

Statistical Methods as Applied to Accounting Reports by A. A. Fitzgerald, and *Australian Mercantile Law* by Yorston and Fortescue, were added during the year to the list of books recommended for reading by candidates.

The Institute had also sponsored the publication of an Australian edition of portion of *Economics of Overhead Costs* by J. M. Clark, for the benefit of the profession in general.

Courses of Specialised Studies

Because of the war, the Council reluctantly decided that consideration of extensive courses of lectures in specialised subjects, such as taxation and cost accounting, should be deferred for another year. There is considerable doubt as to whether attendances could be assured when so many members are engaged on war work.

Applications Committee

Schedules were submitted, containing details of all applications for admission, change of status and transfer to the separate list dealt with by the Committee and each Divisional Council during the year.

Matters Not Covered by Committee Reports

Use by Members of Institute Crest

The Council decided that it was not desirable that a member should reproduce the Institute Crest on his stationery and that the practice of loaning a member a block of the crest be discontinued forthwith.

Exclusion from Examinations

On the recommendation of the Board of Examiners, it was decided to exclude a candidate from future examinations.

Examination Centre

The Council declared Townsville an examination centre at which candidates will not be required to pay supervision fees in addition to ordinary entry fees.

Officers

After the Annual Meeting, the following office-bearers were re-elected for the ensuing year:—

President: Mr. A. A. Fitzgerald.

Vice-Presidents: Mr. T. F. Brennan and Col. M. F. Beevor.

Hon. Treasurer: Mr. J. G. Davis.

Year Book

The *Year Book* of the Institute for 1941 is now ready for distribution. Copies will be sent to representative organisations, government departments and leading financial and commercial institutions. Any member desiring to receive a copy should make application for one to his State Registrar.

MEMBERS ON ACTIVE SERVICE

New South Wales Division

P. Bernard, F. L. Bradley, John Bramwell, V. L. Cohen, L. F. P. Cook, G. O. Dewey, R. Edelsten-Pope, A. L. Freer, F. M. Goyen, R. C. Grantham, D. Higgins, F. T. Howieson, E. D. R. Jennings, W. L. Kerr, G. G. Kimberley, O. B. Lloyd, J. E. Lotze, A. S. Macwilliam, S. R. Marchant, J. H. D. Marks, G. S. Megaw, J. J. Mohr, H. A. Money, R. F. Nettheim, J. B. Nicholls, H. V. Parker, J. D. Rimes, R. W. Roberts, H. E. Scotford, W. Sopwith, H. Stokes, J. M. Sutherland, H. L. Thomas, F. W. Weekes, B. A. Yeates.

West Australian Division

R. S. Price.

There are now 323 members of the Institute on Active Service with the Navy, Army and Air Force.

The following casualties among members of the Institute have been reported:—

Killed in Action

Pte. Felix Lovell Craig was admitted as an Associate in 1936. He later took out his Diploma in Commerce at the University of Melbourne. He joined the Australian Army Service Corps, A.I.F., in October, 1939, and took part in the Libyan and Greek campaigns.

Missing

Lt.-Col. Theodore Gordon Walker, E.D., D.S.O., was officially reported missing on June 20, 1941. He was among those honoured for distinguished service in the operations in Northern Africa. He was admitted to membership in 1927, and also graduated as a Bachelor of Commerce of the University of Melbourne. Before enlisting in the A.I.F., he was attached to the Lands Department, State Savings Bank.

Gunner Brian Layton was reported missing on June 18, 1941. He was admitted as an Associate in 1936, and also took out his Diploma in Commerce at the University of Melbourne. He joined the 2/3rd Light Anti-Aircraft Regiment, A.I.F., in July, 1940.

ADMISSIONS

Admitted as Provisional Associate—

Western Australia

W. C. Aitken.

NEW SOUTH WALES DIVISION

Cost Accounting Course

The Post Graduate Course in Cost Accounting established by the New South Wales Divisional Council under the direction of Mr. Walter Scott, A.I.C.A., has now concluded.

At the concluding Lecture on June 19, Mr. J. W. Newington, F.I.C.A., on behalf of the Council and members, expressed very great appreciation of Mr. Scott's conduct of the Course.

Address by Hon. E. S. Spooner, M.H.R.

At the Institute's Conference Room on Monday, June 23, an address entitled "The Man Power and Resources of Australia" was delivered by the Hon. E. S. Spooner, M.H.R.

In the absence of the State President, Mr. A. Clunies Ross, F.I.C.A., the chair was occupied by the State Vice-President, Mr. F. H. Talbot, F.I.C.A., and there was a fairly large attendance despite the inclemency of the weather. The audience included representatives of public bodies and kindred institutes.

Mr. Spooner, who is Chairman of the Committee appointed by the Commonwealth Government to report on Man Power and Resources, said that much that had been done in Australia to meet the demand for supplies could not be revealed.

In the next few years of war Australia would organise her financial resources in a manner not before contemplated. The making of munitions and the maintenance of large armies at home and abroad would test to the limit the country's capacity to finance the war along orthodox lines.

"We will win this war, and in the effort will prove our power to improvise in raw materials, skilled labour, and finance," said Mr. Spooner. "We will use the experience we gain in the use of high precision methods to establish a greater Australia in the future."

At the conclusion of the address a hearty vote of thanks to the speaker was proposed by Mr. S. W. Griffith, F.I.C.A., and carried with acclamation.

Queensland Division

Central Register of Accountants

It is noted that 47 members of this Division have offered their services through the Central Register in the present national emergency.

At the June meeting of the Divisional Council Mr. Wrigley advised that General Council has decided to make Townsville an examination centre. Satisfaction was expressed by the Divisional Council at this decision.

Western Australian Division

1941 Costing Tour

On March 27, 1941, a party of costing students left Western Australia to make an eight-day tour of modern cost systems operating in Melbourne business houses. The party was organized by the Southern Cross Accountancy College, Perth, and the itinerary of inspections by the Victorian Registrar and Assistant Registrar of the Commonwealth Institute of Accountants.

Reports indicate that the tour was highly successful and particularly instructive. Some of the elaborate systems which can now be depended on for surprisingly prompt figures proved most stimulating.

At the May meeting of the Students' Society, Mr. C. N. Harris, A.I.C.A., surveyed the trip, and on June 25, Mr. R. A. Lawry, A.I.C.A., gave an introduction to the operations of the Powers Punched Card Machine, one of the miracles of mechanical ingenuity inspected by those fortunate enough to undertake the tour.

The greatest appreciation is felt here for the assistance rendered by the Victorian Division in arranging an itinerary so full of instructive inspections and lectures. The executives of the various companies were most co-operative and sympathetic, and the Victorian Students' Society most hospitable.

It is the College's intention to conduct a similar tour next year. Therefore, any interested qualified accountant or advanced student may enquire further from Mr. Murphy or the State Registrar.

Additions to Library

War-Time (Company) Tax	1941	*J. A. L. Gunn.*
War Legislation to Date	1941	*Butterworth & Co.*
Federal and State Taxation Acts and Amendments to Date	1941	
Australian Annual Digest	1939	*W. J. Dignam.*
Journal of Accountancy to May	1941	*American Institute of Accountants.*

Commonwealth Accountants Students' Society

Western Australian Division

At the monthly meeting of the Society held on May 21, Mr. Cliff Harris, the Society's President, surveyed the costing tour to Melbourne undertaken in March last, of which he was leader.

Numerous systems were outlined and illustrated by sample cards, forms and instructions. Members were impressed with the necessity for research and constant study if their knowledge was to keep pace with accounting developments.

On June 11, Mr. F. O. Tattle, F.A.I.I., of the Standard Insurance Co., Perth, addressed members on "Insurance Yesterday and To-day." The meeting was well attended and the lecturer very well received. A resume of his address will later be circulated among members.

A few copies of Mr. E. Pyke's "Model Answers" to recent Intermediate and Final Accounting Questions are still available, and with question papers, could be posted to country candidates for 9d. per set.

New South Wales Division

Annual Meeting

The thirty-first annual meeting of the Society was held at the Institute's Conference Room on Thursday, June 12.

The President, Mr. C. H. Prosser, F.I.C.A., who occupied the chair, extended a cordial welcome to all present, and expressed his pleasure at the presence of five past and present Divisional Councillors of the Institute in the persons of Messrs. S. W. Griffith, F.I.C.A., F. H. Talbot, F.I.C.A., R. D. Bogan, F.I.C.A., W. T. MacBride, F.I.C.A., and J. W. Newington, A.I.C.A., and also the State Registrar, Mr. E. W. Ernest Jones, F.I.C.A.

The annual report and financial statements, which had been circulated to members, were taken as read, and adopted. The report disclosed that meetings had been held regularly throughout the year and that lectures covering a wide range of subjects had been delivered with the object of affording the maximum benefit to students sitting for the examinations of the Institute.

As had been expected, there had been a decrease in membership due primarily to war conditions; sixty-four members had joined the fighting forces for service overseas, and in addition, a large number are engaged on military duties within Australia.

The report was unstinting in its expression of appreciation of the services rendered to the Society by lecturers and others in various ways during the past year.

The election of office-bearers for the ensuing year resulted as follows:—

President: Mr. C. H. Prosser, F.I.C.A.

Vice-President: Mr. E. W. Town, A.I.C.A.

Committee: Messrs. J. S. Adam, Dip.Com., C. H. Atkins, R. W. Plumtree, and P. E. Wiltshire, A.I.C.A.

Hon. Secretary and Treasurer: Miss M. A. Coleman, A.I.C.A.

Hon. Solicitor: Mr. A. B. Samuelson, LL.B.

Hon. Auditor: Mr. H. Beech, F.I.C.A.

Owing to pressure of business, Mr. Plumtree did not seek re-election as Hon. Secretary and Treasurer, and owing to military duties, Messrs. H. L. Thomas, A.I.C.A., and R. Olsson did not seek re-election as Committeemen. A hearty vote of thanks was accorded these retiring officers for the invaluable services that they had rendered to the Society in the past.

At the conclusion of the formal business of the meeting, an interesting and instructive address entitled "The Ethics and Etiquette of the Accountancy Profession" was delivered by Mr. W. T. MacBride, F.I.C.A., who was accorded a hearty vote of thanks for the able manner in which he had dealt with the subject. (A full report of the lecture will appear in a later issue of *The Australian Accountant*.)

Light refreshments were then dispensed, and the meeting terminated with the satisfaction that a very pleasant and educational evening had been spent.

Victorian Division

The Annual Meeting of the Society will be held on Wednesday, July 30, at 8 p.m. The Annual Report and financial statements for the year ended April 30, 1941, which have been circulated to members, will be submitted for adoption. As the nominations for the various offices of the Society do not exceed the vacancies, no ballot is necessary. At the conclusion of the formal business, an address will be given by Mr. A. A. Fitzgerald, B.Com., F.I.C.A., General President of the Commonwealth Institute of Accountants.

The winner of the prize of £5/5/-, awarded to the member obtaining the greatest number of marks in the subjects of Accounting and Auditing at the April Intermediate examination, is Mr. F. M. Rees of 532 Malvern Road, Prahran.

The trophy for the member who obtained the greatest number of marks in the

subjects of Advanced Accounting and Advanced Auditing at the April Final examination has been won by Mr. L. F. Berryman of 174 Hopetoun Avenue, West Brunswick. Mr. Berryman was the winner of the Intermediate examination prize in April, 1940.

The Australasian Institute of Cost Accountants

Examiners' Reports

Costing—Second Paper

The standard of the work of candidates on this paper was disappointing, the average percentage of marks being 62·1% compared with an average of 70·8% for last examination. The maximum of marks allotted was 89 and the minimum 42.

Question 1 called for a knowledge of the principles underlying the allocation of Distribution, Selling and Administration Costs against Territorial Sales, in order to determine net departmental profits in each area. Given the actual Sales and the actual Variation from Standard Gross Profit, some candidates were unable to calculate the Standard Sales Value by adding or subtracting the variation to or from the Actual Sales, and in consequence they complicated the solution of the problem. The majority obtained good marks for their answers.

Question 2 was on the whole badly handled, and many candidates had no knowledge of the principles by which the Costs of a Main Product are determined, where saleable By-products are involved. Some candidates attempted to "issue" the appropriate weights of the original carcase against the Main Product and By-products respectively, thereby making a loss on the By-product Sales. Others were weak in their treatment of Expense both as regards the allocation to Main Product and By-products and its relation to the Budget. Very few candidates obtained the correct pence cost of meat.

Question 3. This question introduced a somewhat unusual feature of Material Mixtures as a test of initiative, and many candidates responded well. The main feature of the question was the high relationship of recoverable and irrecoverable waste. A large number of candidates were quite satisfied to clear the original cost of the waste from their Material Work in Progress Account, making no attempt to recover it from the product. They were quite content to write it off as a loss after crediting the relatively small recoupment on usable waste. That the candidates knew little about mixtures was excusable; but failure to understand fundamental principles in the treatment of waste resulted in poor marks for many candidates on this question.

Costing 3rd Paper—March, 1941

Of the forty-six candidates who presented themselves for examination in this paper, thirty or 66⅔% passed and sixteen or 33⅓% failed, one of whom did not attempt any question. The highest marks were secured by the candidate who won the first place (Australasia) for the whole examination.

As this is the first occasion a paper has been set from the text of *The Incidence of Overhead Costs* by J. M. Clark, the treatment of the questions by students may be considered satisfactory. Fourteen or nearly 50% of the passes secured from 65 to 70 marks, fourteen from 70 to 80, and two received 87 and 89 marks respectively.

Detailed marking of the questions and some comments on the answers are as follow:—

Question 1. Only eight students were awarded over 65% in this question, the average marks awarded being 51%.

The discussion of the majority of the candidates upon the quotation set out in the question was inadequate, and their statement of the purposes of cost analysis and the concepts of cost appropriate to each was in most cases incomplete, indicating a lack of proper study of the text-book.

Question 2. Seventeen candidates received over 65% in this question, the average marks awarded being 60%.

"Discrimination in price fixing" was generally well defined but many students failed to deal satisfactorily with the second part of the question—as to the desirability of discrimination in many industries, and few mentioned the most serious result of carrying price discrimination to an extreme, viz., "spoiling the market."

Question 3. Twenty-nine candidates were awarded over 65% in this question, the average marks awarded being 66%.

This question was handled satisfactorily by most candidates. The impelling motives to the development of large-scale business units were, on the whole, well and adequately set out, but the economies resulting therefrom were, in some cases, not satisfactorily defined, showing lack of study of the text-book by some students.

Question 4. Twenty-three candidates were awarded over 65% in this question, the average marks awarded being 62%.

As the above markings indicate, this question was not adequately dealt with by many students. Many of the obvious motives of "integration" were completely overlooked by some and the "other matters which ought to be taken into consideration," in connection with the question's proposal to establish a plant to produce basic material, were inadequately set out by many others.

Question 5. Forty-one candidates secured over 65% for their answers to this question, the average marks awarded being 82%.

This question invited the ideas of candidates in connection with a quotation from the text-book relating to cycles and rhythms. The majority handled the question very ably thus showing evidence of keen study of the relevant chapters of the text-book.

Publications Received

The main articles of interest appearing in the latest issues of periodicals received from overseas, are as follow:

The Cost Accountant.

January-February, 1941. Costing of Government Contracts, by J. N. Toothill, F.C.W.A. The Third and Fourth Reports from the Select Committee on National Expenditure.

N.A.C.A. Bulletins.

April 1, 1941. Simplified Payroll Procedure and Labour Cost Distribution, by William L. Totten. Direct Labour Variation Control, by Harry C. Nichols.

April 15, 1941. Cost Accounting for Open-cut Mines, by Harold G. Avery. Anthracite Production Costs, by C. E. Mengel.

May 1, 1941: "An Incentive Bonus Plan Based on Cost Efficiency" by C. L. Kingsbury.

May 15, 1941: "Internal Audit Fundamentals" by Arnold O. Wolf.

Members will no doubt be interested to hear that an article published in the *Australian Accountant* entitled "The use of Graphs in Controlling Production," has been reprinted in the *Cost and Management Journal* for April, 1941, as published by the Canadian Society of Cost Accountants and Industrial Engineers. This article was the subject of a lecture delivered by Mr. C. K. Locke to the New South Wales Division.

Admissions

We have pleasure in announcing the admission of Associate Members as under:—

Victoria

K. M. Cameron, G. H. Lilley, H. E. Mines, Miss S. M. Benyon, R. W. Blandy, F. R. Boreham, C. E. Gill, L. W. Irwin, W. F. L. Reese, E. W. Ryan, C. V. Tregellas, D. C. Walker.

New South Wales

E. D. R. Jennings, W. S. Ferrier, J. L. Dixon.

New Zealand.—S. H. McKenzie, A. E. Davis.

Victorian Division

Office-bearers for 1941 were appointed at the last meeting of the Divisional Council as follow:

President.—Mr. H. S. Kilfoyle, F.C.A.A.

Vice-President.—Mr. J. E. Morten, F.C.A.A.

Treasurer.—Mr. A. O. Sorenson, F.C.A.A.

Representatives on General Council.—President, Vice-President, and Mr. J. R. McKenzie.

NEW SOUTH WALES DIVISION

Office-bearers for 1941 were appointed at the meeting of the Divisional Council on May 21, 1941, as follow:—

President: E. F. Wilkinson, A.C.A.A.

Vice-President: C. J. Williams, F.C.A.A.

Treasurer: J. G. Hannah, F.C.A.A.

Representatives on General Council: D. J. Nolan, F.C.A.A., T. D. Hadley, F.C.A.A.

Lecturettes.

Because of the popularity of the lecturettes given in previous years, the Council has decided to arrange another series during this year. It is appreciated by the Council that, with the conditions existing this year, members may be unable to show the same interest in these lecturettes. The Council, however, wishes to give members the opportunity of continuing with them. The lecturettes to be arranged will, as far as possible, deal with the problems of the cost accountant in war time.

Library.

During the month several booklets were received from The British Tabulating Machine Company Limited relating to the principle of punched card accounting. Their titles are:

General Principles of Modern Accountancy.

Application of Modern Accountancy Principles.

Modern Methods applied to Cost Accounting.

Modern Methods applied to Stock Control.

Modern Methods applied to Customer Accounting.

These booklets should be of interest to all members, and copies can be obtained through the Institute.

WESTERN AUSTRALIAN DIVISION

Office-bearers for 1941 were appointed at the meeting of the Divisional Council on June 10, 1941, as follow:—

President: W. H. Bromfield, F.C.A.A.

Vice-President: R. B. Olney, A.C.A.A.

Treasurer: R. S. Greenhalgh, A.C.A.A.

Representative on General Council: W. H. Bromfield, F.C.A.A.

Personal

Mr. M. A. K. Weir, A.I.C.A., formerly an officer of the New South Wales Treasury, has been appointed Under Secretary of the Department of Public Works.

Mr. J. E. Macdonald Gill, F.I.C.A., has removed to 56 Hunter Street, Sydney.

Mr. F. W. Dougall, A.I.C.A., has commenced practice as a Public Accountant at Wingello House, Angel Place, Sydney.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

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Institute News and Notes

Supplement to "The Australian Accountant"

Published Monthly for the Commonwealth Institute of Accountants and The Australasian Institute of Cost Accountants.

AUGUST 15, 1941

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas, are as follow:

The Cost Accountant

March-April, 1941.—"Depreciation," by H. A. Simpson, F.C.W.A.

N.A.C.A. Bulletins

June 1, 1941—"The Controller as Co-ordinator," by J. E. McMullen; "Case Study of Branch Operations," by Mervyn M. Schade.

June 15, 1941—"Some Management Problems Involved in Defence Contracts," by George A. Longeway; "Procedure Under Defence Contracts," by R. M. Woodham; "Accounting for Defence Contracts," by D. E. Browne.

Admissions

We have pleasure in announcing the admission of Associate members, as under:

Victoria: C. C. Hayton, H. R. Swain.

South Australia: G. H. Huxtable, L. A. Wharldall, V. L. Thomas, T. B. Edmonds, G. D. Milne.

Obituary

Members will join with us in extending our deepest sympathy to the relatives of three of our members who have recently passed away—Messrs. D. Y. Speedie, of Sale; W. K. Fowler, a Councillor and Treasurer of the New Zealand Division for a number of years, and E. G. Gordon, late of Gordon Bros. Pty. Ltd., Engineers, of Melbourne and Sydney.

South Australian Division

The Annual Meeting and Smoke Social was held at "The Wentworth," North Terrace, Adelaide, on July 8, 1941, when Mr. E. C. Poole, the newly elected President, presided over an excellent attendance of members and guests.

Officers elected during the evening were: State President, Mr. E. C. Poole; State Vice-Presidents, Messrs. H. J. Byrne and D. H. Hicks; Hon. Treasurer, Mr. O. H. Walter; Representative on the General Council, Mr. A. Cottell; Hon. Auditor, Mr. W. H. Mildren. Retiring members of the Divisional Council, Messrs. H. G. Rosevear, S. J. Thompson and E. C. Poole, were re-elected unopposed.

The Annual Report for 1941 disclosed that examinations were held in March and September and that South Australian candidates had again acquitted themselves particularly well. Several members had joined up for National Service, viz., Captain H. G. Rosevear and Major D. H. Pickering (both members of the Divisional Council) also Messrs. H. W. Johnston (A.I.F.) and R. H. Malcom (R.A.A.F.).

Appreciative references were made to the services of Mr. A. Cottell, who has occupied the State President's Chair for 12 years.

After the formal business a most inspiring talk was given by the Hon. E. W. Holden, B.Sc., M.L.C., on "Politics and the War Effort." Mr. Holden paid a tribute to the work of the Institute and intimated that the State Government intended setting up a Department of Industry, and he felt sure that members of the Institute could play an important part in connection with the installation of Costing systems. In a

breezy manner, Mr. Holden detailed his experiences and activities as President of the Associated Chambers of Manufacturers and said that the public should be given more information about the National War effort. There was a good deal more that the man in the street could be profitably told without going beyond those limits of secrecy which must of necessity be observed.

The progress that has been made in the manufacture of armaments, munitions and general war supplies becomes the more remarkable when it is remembered that the entire scheme started almost from scratch, and that many unexpected difficulties had to be overcome. In fact, one of the outstanding features of the entire munitions effort is the way in which Australian industry met the emergency created by the collapse of France and the withdrawal of the B.E.F. from Flanders. Britain, faced with this sudden crisis, was unable to spare the promised supplies of machine tools on which the Australian munitions programme had been largely based.

It is a tribute to the resource of Australian industrial experts and workmen that, instead of being daunted by this setback, they at once set about making their own machine tools and other intricate factory equipment.

So successful has been the expansion of the industrial effort in which private factories and Commonwealth plants alike are taking part, that Australia is already turning out munitions on a scale that would have seemed impossible two years ago.

Aircraft and aero engines of several types, anti-aircraft, anti-tank and field guns, Bren and Vickers machine guns, gun and small-arms ammunition, a full range of service explosives, aircraft bombs, enormous quantities of military clothing and boots—these are some of the main items on a list of bewildering length and variety.

A vote of thanks was moved by Sir Robert Nicholls to Mr. Holden, and in an entertaining manner Sir Robert amplified the work of the Government and indicated that the help of experts such as Cost Accountants would be invaluable.

Vice-President Mr. H. J. Byrne seconded the vote of thanks and expressed the appreciation of the Institute to Mr. Holden for his having spared the time to give such a fine talk.

Commonwealth Institute of Accountants

Members on Active Service

New South Wales Division

R. J. G. Hervey, H. D. McDonald, J. J. Mohr, H. E. Street, N. C. Schwartzkoff, W. H. J. Kemp, R. W. Roberts, P. H. Knight.

Admissions and Advancements

Admission as Associate

Victoria

J. D. Cochrane, C. W. W. Barlow, R. P. Evans, N. R. Gray.

New South Wales

R. H. Gee, B. H. Maguire, I. N. Meadows, H. M. L. Hordern, H. C. Kent.

Admission as Provincial Associate

Victoria

K. C. Brennan, F. S. Deakin, A. H. C. Atkins, A. H. Bruhn, D. M. Jones, N. K. I. Menhennitt, H. F. Romanis.

New South Wales

E. H. Armstrong, C. H. Atkins, E. L. Burke, J. F. Dale, S. D. Forsyth, E. Hinchcliffe, A. R. Hocking, N. W. Lawrance, C. A. Mallyon, J. L. Monaghan, R. F. Serbutt, J. D. Storrie.

Advancement to Fellow

New South Wales

E. S. Spooner.

YEAR BOOK, 1941

The Year Book for 1941 is now ready, and members desiring a copy may obtain one on application to their State Registrar.

VICTORIAN DIVISION

Annual Lectures in Accountancy

The University of Melbourne has invited Mr. A. Clunies Ross, B.Sc. (Syd.), F.I.C.A. to deliver the lecture for 1941 at the University on September 3, at 8 p.m.

Mr. Ross, who is the State President of the New South Wales Division of the Institute and a lecturer at the School of Economics, University of Sydney, has chosen for the subject of his lecture "Accounting Concepts in Australian Legislation."

The purposes of the lectureship are to stimulate research in accountancy and to encourage original contributions to accountancy thought.

Members should make a point of attending this important lecture.

Commonwealth Institute Students' Society

NEW SOUTH WALES DIVISION

At the meeting of the Society held on Thursday, July 10, at the Institute's Conference Room, an interesting and instructive lecture entitled "Law of Contracts" was delivered by Mr. Eric N. Rowley, Solicitor.

Notwithstanding the inclemency of the weather, there was a good attendance, and the chair was occupied by the President, Mr. C. H. Prosser, F.I.C.A., who, in introducing the lecturer, said that Mr. Rowley, who had previously addressed the Society on legal subjects, had intimated his intention of making a donation of £2/2/- to the Society for the purpose of prizes for members sitting for the Institute's Examinations in the Legal Section.

With characteristic clarity and conciseness, Mr. Rowley gave a lucid exposition of his subject in terms readily understood, and explained the legal terms appertaining thereto.

Mr. Rowley commenced his lecture by describing the various forms in which contracts are made and how offers and acceptances may be communicated. He then proceeded to explain the essentials relating to contracts, the rights and liabilities of the parties thereto, their remedies for breach of contracts, and the manner in which a contract may be discharged.

The lecturer explained the operation of the Statute of Limitations, and the Statute of Frauds; he also dealt with the matter of consideration, and that of the limitations on persons contracting, e.g., Aliens, Enemy Aliens, Infants, Lunatics, Drunken persons, Corporations, etc.

Mr. Rowley surveyed the various aspects of the law relating to contracts with the exception of Sale of Goods, which he stated is a lecture in itself. He also referred briefly to the National Security regulations.

At the conclusion of the lecture, a hearty vote of thanks to the lecturer was proposed by Mr. R. W. Plumtree, and carried with acclamation.

VICTORIAN DIVISION

There was a good attendance of members at the forty-third Annual Meeting of the Society, held on Wednesday, July 30. The retiring President, Mr. P. W. Marsland, A.I.C.A., was in the chair at the commencement of the meeting, and he moved the adoption of the Annual Report and financial statements for the twelve months ended April 30, 1941, copies of which had been circulated to members. He briefly reviewed the year's activities. He had taken over the Presidency at a time when the calamitous news from overseas was making the outlook for the future uncertain, but the Society had experienced a successful year. Miss J. M. Boyd, A.I.C.A., seconded the motion, which was carried without further discussion.

Mr. Marsland then declared the following officers duly elected for the forthcoming year:

President: Mr. G. E. Fitzgerald, B.A., B.Com., F.I.C.A. Vice-Presidents: Messrs. R. A. Clarey, B.Com., A.I.C.A.; H. C. Zumstein, A.I.C.A.; H. J. Cohen. Committee: Messrs. A. H. Blamey, A.C.A. (Aust.); R. A. Burns, A.I.C.A.; J. E. Carrick; W. A.

Coghlan, A.C.A. (Aust.); R L. B. Glass, A.I.C.A.; Mrs. D. M. Horsley, B.Com., A.I.C.A.; Mr. P. M. Wood, A.I.C.A. Auditor: Mr. M. Shackell, A.I.C.A. Secretary and Treasurer: Mr. O. R. MacDonald, A.I.C.A.

On asking Major Fitzgerald to take the chair, Mr. Marsland referred to the valuable services he had already rendered to the Society as Committeeman and Vice-President. Major Fitzgerald thanked members for his election. Mr. G. A. Weller, A.I.C.A., moved that a vote of thanks be recorded on the minutes to the retiring President. The motion was seconded by Mr. E. Pyke, F.I.C.A. In conveying it to Mr. Marsland, the Chairman expressed his own appreciation of what the former had done in the Society's interests, and mentioned that Mr. Marsland would, in the course of the next few days, be joining up with the R.A.A.F. Mr. Marsland suitably responded.

The Chairman presented to Mr. L. F. Berryman the trophy cup won by him in obtaining the greatest number of marks in the combined subjects of Advanced Accounting and Auditing at the April Final examination. He congratulated Mr. Berryman on having been the winner of both the Intermediate Scholarship and the Final Trophy, and hoped that he would further emulate Mr. Marsland, who had also achieved these successes, by one day occupying the Presidential chair. Mr. Berryman expressed his thanks for the congratulations tendered to him.

Mr. A. A. Fitzgerald, B.Com., F.I.C.A., General President of the Commonwealth Institute of Accountants, then delivered an extremely interesting lecture. He considered the remarkable developments in accountancy during and after the last war. He then spoke of the services the accountant is rendering in this war, and showed that there was a need for more qualified men and women. The Institute's educational problem was examined; how it affects members, students, and the community. What the Institute was doing to help students in these difficult times was explained, and some suggestions were made to students regarding their methods of study. (A full report of the lecture is being issued to all candidates for examination.)

At the conclusion, the lecturer replied to several questions, and the meeting closed with a vote of thanks to him, moved by Mr. R. A. Clarey, A.I.C.A., and seconded by Mr. H. C. Zumstein, A.I.C.A.

Obituary

Mr. Charles Forbes, A.I.C.A., who died recently in Melbourne, was a member of the Victorian Division for thirty-three years, being admitted to membership in 1908. Mr. Forbes was for many years secretary of A. G. Healing Ltd.

Personal

Messrs. H. B. Allard, Way & Hardie, have admitted Mr. James Hardie Jamison into partnership in their Canberra branch. Mr. Jamison is the Branch Secretary of the Commonwealth Institute of Accountants at Canberra.

Messrs. Harry A. Beech & Co., Public Accountants, have removed to Ocean House, Martin Place, Sydney.

Mr. B. M. Dixon, A.I.C.A., has been admitted a member of the firm of Priestley & Morris, Sydney.

The congratulations of the Commonwealth Institute have been conveyed to Brigadier A. S. Allen, of Sydney, a member of the Institute, upon being created C.B. by His Majesty the King. Brigadier Allen commanded the New South Wales Brigade which took part in operations at Bardia and Tobruk and in the Greek campaign.

Congratulations have been extended to Hon. E. S. Spooner, F.I.C.A., of Sydney, upon his appointment as Minister of War Organisation of Industry. Mr. Spooner has been a member of the Commonwealth Institute for 22 years.

In view of the assistance given by the Commonwealth Institute of Accountants in association with public appeals conducted by the Lord Mayor of Sydney, Mr. O. H. Paton, F.I.C.A., has been appointed to the Executive Committee of the Lord Mayor's Patriotic & War Fund as the representative of the Institute.

Mr. J. H. Martin, B.Com., A.I.C.A., formerly Internal Auditor of The Australian Gas Light Company, Sydney, has commenced practice as a Management Consultant at 39 Martin Place, Sydney.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melb., C.1.

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Institute News and Notes

Supplement to "The Australian Accountant"

Published Monthly for the Commonwealth Institute of Accountants and The Australasian Institute of Cost Accountants.

SEPTEMBER 15, 1941

Commonwealth Institute of Accountants

Members on Active Service

There are 344 members of the Institute on Active Service with the Navy, Army and Air Force.

Killed in Action

It is with deep regret we record that Pilot-Officer Geoffrey L. Cohen, A.I.C.A., of Sydney, was killed in an aircraft accident in England on August 3.

We also record with regret the deaths on active service with the A.I.F. of A. G. Willis, of Sydney, and B. A. Gallagher, of Brisbane.

Prisoner of War

Lt.-Col. Theodore Gordon Walker, E.D., D.S.O., has been officially reported Prisoner of War and wounded in action. Lt.-Col. Walker, who is a member of the Victorian Division, was on the staff of the State Savings Bank.

Admissions and Advancements

Admission as Provisional Associate

Victoria

A. J. Clarke, A. Cruikshank, R. S. Huntington, W. Johnson, A. J. Morrison, D. O. McNaughton.

New South Wales

J. F. Britton, D. M. Clark, J. A. Forsyth, J. A. Hennessy, J. W. Roberts, J. G. Stewart, J. D. Townend.

Admission as Associate

Victoria

T. F. Gower, J. C. Liptrot, N. L. McFadden, J. D. McNamara, H. M. Richards, R. R. Waddell.

New South Wales

D. E. Collie, A. McNaughton.

Advancement to Fellow

New South Wales

H. T. C. Wakeham, A. D. Brigden.

Queensland

T. H. Nevitt.

Overseas

A. E. Bourne.

Victorian Division

Additions to the Library

Accountancy as a Career	1939	*L. W. Scudder*
Accounting Requirements of the Securities and Exchange Commission	1939	*B. B. Greidinger*
Contingent Liabilities of the English Commercial Banks	1939	*H. C. F. Holgate*
Brewery Accounting	1939	*G. S. Hamilton*
Uniform System of Accounts for Electric Utilities	1940	*Nat. Assoc'n. of Railroad & Utilities Commissioners*
The Investment Value of Goodwill	1938	*L. N. Bloomberg*
Advanced Cost Accounting	1939	*C. F. Schlatter*
Analysis and Control of Distribution Costs	1940	*J. B. Heckert*
Timestudy for Cost Control	1938	*P. Carroll*

Cost Accounting for the Joinery Trade	1939	*H. Hudson*
Budget Principles and Procedure	1940	*J. R. Bartizal*
Business Organisation	1940	*Metro. Life Assurance Co.*
Solving Labour Problems in Australia	1941	*O. Foenander*
Price Control under the National Security Act 1939-40	1940	*C'wealth Prices Commissioner*
Simple Guide to the Commonwealth Pay Roll Tax	1941	*Whitcombe & Tombs*
War-Time (Company) Tax	1941	*J. A. L. Gunn*
Some Aspects of the Law Relating to Cheques	1941	*H. Young*
The Effect of War on Contract	1940	*P. Thorold Rogers*
Emergency Legislation Handbook	1941	*J. M. Jelbart*
Australian Digest Supplement—2 vols. ..	1934-39	*Law Book Co.*

Annual Lectureship

The second Commonwealth Institute of Accountants Annual Lecture was delivered by Mr. A. Clunies Ross, B.SC., F.I.C.A., in the Commerce Lecture Theatre, University of Melbourne, the subject being "Accounting Concepts in Australian Legislation." The Chancellor of the University, His Honor Mr. Justice Lowe, presided.

The vote of thanks to the lecturer was moved by Mr. V. L. Solomon, F.I.C.A., and seconded by Acting-Professor G. L. Wood.

Prior to the lecture, Mr. Clunies Ross was entertained at a dinner in the University Union by the Divisional Council.

Other guests at the dinner included Acting-Professor G. L. Wood, Dean of the Faculty of Commerce, Mr. J. F. Foster, Registrar of the University of Melbourne, and Mr. T. M. Owen, Registrar of the Canberra University College.

Western Australian Division

Monthly Luncheons

Mr. J. O. Love—Superintendent of the W.A. School for Deaf and Dumb Children, who kindly postponed his address from May 15 to give members an opportunity of hearing Dr. Schechner, addressed members at a luncheon on June 26. His subject was the training of children by his Institution, and was a revelation of the difficulties confronting such bodies when dealing with children handicapped by deafness.

On July 17, Rev. W. Hamilton, M.A., who recently returned from England after seeing that country change over from peace to war, recounted his experiences to members of the Institute.

The speaker had been in several towns that were bombed, and when leaving England an attack had also been made on his ship. He spoke very highly of the British morale and gave members many interesting sidelights.

The speaker at the August monthly luncheon was Professor F. R. Mauldon, who addressed quite a large gathering on the subject of Post War Economic Reconstruction. The Professor, who came from Melbourne some months ago to take the Chair of Economics at the University of Western Australia, was unable, the short time at his disposal, to deal very fully with such an enormous subject. However, members were given some thoughts in the direction of national and international social and economic relationships.

The importance of this subject so impressed members, that Professor Mauldon was asked, and consented, to continue his address late in the month of September.

New South Wales Division

Lecture by Mr. I. D. Stewart, B.Ec.

On Tuesday, August 19, at the Institute's Conference Room, Mr. I. D. Stewart, B.Ec., Office Manager of David Jones Ltd., delivered an interesting and instructive address entitled "Some Aspects of Departmental Store Accounting."

The State President, Mr. A. Clunies Ross, F.I.C.A., who occupied the chair, introduced the lecturer, who, he said, had an expert practical knowledge of his subject, and the members were promised an excellent exposition of Departmental Store Accounting.

Mr. Stewart described the organisation controlling the business, and the system in operation, dealing in a comprehensive manner with such matters as Merchandise control, Purchase control, Stock control, Receiving and Invoice control, and the very important part played by the Accounts Department.

The speaker detailed the various classes of Sales, including Cash, Credit, C.O.D., Mail Order, Layby, etc., and mentioned that in one year, there were 11 million sales transactions.

At the conclusion of a very interesting lecture, Mr. D. J. Callaghan, in proposing a hearty vote of thanks to the lecturer, said that Mr. Stewart had covered an amazing amount of ground in his address and had given an enormous amount of detail.

Inspection of Mechanical Office Systems

By courtesy of the County Treasurer, Mr. S. Judges, F.I.C.A., about forty members of the Institute paid a visit to the offices of the Sydney County Council on Tuesday evening, August 5.

The party, which included Mr. C. H. Prosser, F.I.C.A., a member of the N.S.W. Divisional Council of the Institute, and President of the Students' Society, and Mr. E. W. Ernest Jones, F.I.C.A., State Registrar, was met on arrival at the County Council office by Mr. E. A. Cupit, F.C.I.S., A.I.C.A., Assistant County Treasurer, who, after explaining the systems, invited the party into the machine operating room where the staff gave a practical demonstration of the work performed with the aid of the several machines.

The Sydney County Council, with a staff of 3,000 employees supplies electricity to a very large portion of the metropolitan area, and 270,000 electricity account bills are forwarded to consumers regularly every quarter in addition to numerous other accounts. To enable this work to be carried out efficiently and expeditiously, changes in the system have been made from time to time. The present system is carried out by means of card punching machines, card sorting machines, tabulating machines, accounting machines, etc., all operated largely by electricity. The machine operating room has the appearance more of a printing establishment than a "counting house;" it is certainly an "eye-opener," and a remarkable development in accounting methods.

At the conclusion of the inspection, Mr. Cupit led the party to the Council's cooking demonstration room where a very tasty supper was provided.

A hearty vote of thanks to Messrs. Judges and Cupit and the staff was proposed by Mr. C. H. Prosser.

Lecture by Mr. A. E. Heath, C.M.G.

At the Institute's Conference Room, Sydney, on Tuesday, July 29, a very interesting and instructive lecture, entitled "International Affairs—Whither Bound," was delivered by Mr. A. E. Heath, C.M.G.

The chair was occupied by the State President, Mr. A. Clunies Ross, F.I.C.A., who, in introducing the lecturer, said that Mr. Heath, who is President of the Sydney Chamber of Commerce, was formerly Agent-General for New South Wales in London, and had travelled extensively. Mr. Heath had made a close study of International problems, and had gained first-hand knowledge of the subject upon which he was about to address the meeting.

Mr. Heath said that it was impossible in the short time at his disposal to do more than touch upon the fringe of the subject. The present international situation was the greatest calamity since the dawn of civilisation.

The speaker surveyed the political and economic developments from the conclusion of the last war until the commencement of the present war. He described the organisation which was set up in Germany in preparation for total war. While other nations were enjoying better social conditions and greater freedom, the German people, under the Nazi regime, were working longer hours and foregoing luxuries, and to some extent, necessities, in order to provide the funds for guns, tanks, aeroplanes, etc.

The change over from peace-time to war-time economy was much more difficult for the democracies, and the process was much more gradual. In the totalitarian countries, the dictators did not have to ask the people; they merely gave orders. Right through the Nazi organisation, the military machine prevailed.

The speaker said that the brutal Nazi organisation must be overthrown; we had the men to do it if used in the right way. The question as to whether Germany could last was difficult to answer, but he was of opinion that Germany's lasting power should be reckoned in years rather than in months.

Concerning post war problems, the speaker stated that if the peace is to be a lasting one, there will have to be a complete interchange of trade.

At the conclusion of the address, a hearty vote of thanks to the lecturer was proposed by Mr. E. A. Cupit, A.I.C.A., and carried with acclamation, Mr. Heath formally acknowledging the compliment.

Commonwealth Institute Students' Society

NEW SOUTH WALES DIVISION

At the meeting of the Society held at the Institute's Conference Room, Sydney, on Thursday, August 14, the President, Mr. C. H. Prosser, F.I.C.A., presided over a

large and appreciative audience, the lecturer for the evening being Mr. Walter Scott, F.I.C.A., whose subject was "Cost Accounts."

Mr. Scott, in a very concise manner, outlined the various steps in the course of the study of cost accounts up to the requirements of the Institute's examinations, and the profound interest shown by the members present testified to their appreciation of the capable manner in which the subject had been handled by the lecturer.

A hearty vote of thanks to the lecturer was proposed by Mr. Raymond and carried with acclamation.

Examination Prizes

The sum of £2/2/- has been kindly donated by E. N. Rowley, Esq., Solicitor, through the Commonwealth Institute Students' Society in prizes for the forthcoming examination of the Institute in Commercial Law (1st paper), which embraces the subject of "Contracts," on which Mr. Rowley has on several occasions delivered lectures to the Students' Society.

The prizes are available to financial members of the Students' Society, and an award of £1/11/6 will be made to the member who secures the highest marks in the paper referred to, provided that a minimum of 75% is obtained. Ten shillings and sixpence (10/6) will be awarded to the member who obtains second place under similar conditions.

Canberra Students' Society

A Mock Company Meeting was held at the Assembly Hall, Canberra University College, on Thursday, August 7, at which Messrs. J. W. Newington and S. W. Griffith, Divisional Councillors, took part. The critics of the Report and Balance Sheet of Transient Traders Ltd., were Messrs. J. Brophy, T. M. Owen, D. P. Israel, R. H. Cumming, L. O. Brown, J. H. Jamison, J. Garret, G. Templey and L. A. Williams. There was an attendance of about 75 members and others, and an instructive and entertaining evening was spent. Mr. J. T. Pinner, F.I.C.A., President of the Branch, proposed a vote of thanks to the visiting Councillors.

VICTORIAN DIVISION

Two meetings will be held prior to the October examinations, both of them intended to assist members who will be presenting themselves for examination.

On Wednesday, September 24, Mr. R. N. Vroland, Solicitor, of the firm of Messrs. Rodda, Ballard & Vroland, will lecture on "Contracts," and on the following Wednesday, October 1, Mr. P. Perkins, B.COM., a member of the staff of the accountancy firm of Messrs. Buckley & Hughes, will lecture on "Federal Income Tax."

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas are as follow:

THE COST ACCOUNTANT

May-June, 1941.—"Costing—Marginal and Conventional," by F. L. Impey.

N.A.C.A. BULLETINS

July 1, 1941.—"An Application of Standard Costs in the Steel Industry," by E. J. Hanley; "The Use of Standard Costs in the Canning Industry," by Ralph H. Barr.
July 15, 1941.—"A Payroll Control Plan," by J. D. Robertson; "Use of Duplicator for Wage Payment and Production Control," by Vincent F. Lechner.

ADMISSIONS AS ASSOCIATE

New South Wales: W. A. N. Alexander, A. M. Crocket.
South Australia: L. V. Brown, R. H. Malcolm.

Personal

Mr. A. D. Brigden, of L. P. Waterhouse & Brigden, Newcastle, has been advanced in status to Fellow of the Institute.

Obituary

We much regret to record the deaths of Mr. W. J. Bubb, A.I.C.A., Comptroller of Accounts and Audit, N.S.W. Railways, and of Mr. F. H. Bamford, A.I.C.A., of Goulburn, N.S.W.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

Institute News and Notes

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OCTOBER 15, 1941

Commonwealth Institute of Accountants

Admissions

Admission as Provisional Associate

New South Wales

J. L. Green, J. Hoar, L. H. Judd, D. C. Tanner.

Victoria

Vera M. Dow, Margaret J. Dwyer, J. B. Nanscawen.

Admission as Associate

New South Wales

A. V. Hood.

Victoria

G. E. Brodie.

On Active Service

Killed in Action

We regret to report the death on active service of Mr. B. A. Gallagher, a candidate of the Institute on the Queensland Register.

Missing

The sympathy of members of the Commonwealth Institute of Accountants is extended to the Vice-President of the Victorian Division, Mr. A. M. Hislop, whose son, Pilot Officer Bruce Elwell Hislop, has been posted missing after air operations abroad. Educated at Scotch College, he was admitted to membership in the Commonwealth Institute in 1936, and was a member of his father's firm, Cleveland, Son, and Hislop, before joining the R.A.A.F. under the Empire Air Scheme. After training in Australia and Canada he was posted to a bomber squadron in England.

New South Wales Division

Comfort's Fund Appeal

At the request of the Lord Mayor of Sydney, the N.S.W. Divisional Council again undertook the financial management and audit in connection with the appeal on September 5, 1941.

Commonwealth Institute Students' Society

New South Wales Division

There was a large attendance at the meeting of the Society on Thursday, September 11, when Mr. S. R. Brown, A.C.A. (Aust.), delivered an interesting and instructive address entitled "Auditing, and the Legal Responsibilities of Auditors."

The chair was occupied by the President, Mr. C. H. Prosser, F.I.C.A., and prior to the commencement of the lecture two short talks on subjects of interest to accountancy students were given by members of the Society. Miss Tomlinson spoke on "The Importance of Contracts in Everyday Life." The speaker said that most people visualised contracts as massive legal documents with huge seals and bound with red tape. Comparatively few people realised that they were entering into, possibly, several contracts daily, such as contracts between employer and employee, contracts relating to carriage, e.g. travelling to and from business, contracts for purchase of goods, and contracts with restaurant proprietors.

Mr. J. S. Adam, who spoke on the subject "Compare Insurance with Assurance," summed up his talk, at its conclusion, as follows:

Insurance was a provision against an uncertain event, e.g. fire, shipwreck, hail, accident, public risk, etc.

Assurance was a provision against a certain event, e.g. death or old age.

Insurance was a contract of indemnity; annual premiums were payable on policies in force for limited periods.

Assurance policies continued until the happening of the event against which the assured party was protected; annual premiums were payable on continuing policies.

Mr. S. R. Brown, the lecturer for the evening, dealt in a comprehensive manner with the legal responsibilities of auditors, and quoted extensively from legal decisions, English and American, affecting auditors, enlarging on some of the older decisions and introducing several comparatively recent cases.

At the conclusion of the lecture a hearty vote of thanks to the lecturer was proposed by Mr. C. H. Atkins and carried with acclamation.

Victorian Division

Death of Mr. E. Pyke

The Society suffered a great loss by the death, on September 23, of Mr. E. Pyke, F.I.C.A., a Past President of the Society. Mr. Pyke was a member from the foundation of the Society in 1898, and always took an active part in its operations. He gave over fifty demonstrations of model answers to the bookkeeping and accounting questions of the Institute's examinations, and, in addition, lectured on about twelve occasions. Out of his lectures on accounting topics grew his book *Accounting Fundamentals*, the rights in which he assigned to the Society. In addition to making his time so freely available to the Society he was a generous contributor to its Essay Prize Funds. Limitations of space make it impossible to give any adequate review of his services. In his passing every member will feel the loss of a true friend and helper. To his widow and daughters the deep sympathy of all members is tendered.

On Wednesday, September 24, Mr. R. N. Vroland, solicitor, of the firm of Messrs. Rodda, Ballard & Vroland, was the lecturer, and his subject "Some Aspects of the Law of Contracts." Mr. Vroland dealt in an interesting manner with the formation, form, and validity of contracts, and such matters as consideration, capacity of the parties, and contracts impossible of performance. At the conclusion several questions were answered by Mr. Vroland, and the meeting closed after a vote of thanks had been accorded to him on the motion of Mr. A. H. Blamey, seconded by Mr. E. V. Craven.

Prior to the lecture the President, Major G. E. Fitzgerald, referred in feeling terms to the great loss that the Society had sustained in the death of Mr. Pyke, and at his request members stood in silence for a short time.

Mr. P. Perkins, B.Com., a member of the staff of Messrs. Buckley & Hughes, Chartered Accountants (Aust.), was the lecturer at the meeting on Wednesday, October 1, and his subject "Some Aspects of Federal Income Tax." At the conclusion of the lecture a hearty vote of thanks was passed to Mr. Perkins on the motion of Mr. A. M. Hislop, seconded by Mr. E. V. Craven.

We are pleased to learn that Mr. R. H. Simpson, a Past President of the Society, who has been seriously ill, is making good progress towards recovery. He was for several months in hospital at Brisbane and is now convalescing at Southport, Queensland.

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas are as follow:—

N.A.C.A. Bulletins

August 1st, 1941, "The Supply Inventory and Its Control," by D. Phillip Beaudry, Jr.

August 15th, 1941, "The Problems of Merchandise Control in a Department Store," by Carl N. Schmalz; "Some Features of the Constant-Wage Plan," by C. B. Apple.

Admission as Associate

Victoria J. H. Struss.

Obituary

We much regret to record the death of Mr. Alexander David Spence, F.I.C.A., and of Mr. Ivo S. Pring, A.I.C.A., of Sydney. Both members were associated with the Commonwealth Institute for over 30 years.

It is with regret that we record the death of Mr. Frank W. Reynolds, F.I.C.A. Mr. Reynolds was one of the foundation members appointed in 1912, when a branch of the Commonwealth Institute was established in Tasmania. Until 1932 he was a member of the firm of Frank Reynolds & Cummins, Public Accountants, Hobart.

Personal

Mr. R. G. Sherlock, A.I.C.A., having retired from the partnership of W. V. Armstrong & Co., has commenced practice on his own account at 375 George Street, Sydney.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

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NOVEMBER 15, 1941

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Commonwealth Institute of Accountants

Admissions and Advancements

Admission as Provisional Associate

Victoria
Cecile R. Schneider.

Western Australia
A. E. Webb.

New South Wales
W. Ives, O. J. Richter.

Admission as Associate

Victoria
Euphemia A. Craig, J. H. Beeton, K. A. Picton.

New South Wales
W. T. Gibson.

Advancement to Fellow

Western Australia
A. E. Taylor.

New South Wales
T. N. Williams.

On Active Service

Missing

The sympathy of members is extended to Mr. E. T. Spackman, a member of the Victorian Divisional Council of the Commonwealth Institute of Accountants, whose son, Sergeant-Observer Peter Spackman, is missing after air operations abroad.

Sergeant Observer Peter Spackman is believed to have lost his life as a result of a flying-boat crashing into rough seas six miles off Tarbat Ness, Scotland.

The crash occurred when one of the engines of the flying-boat failed. Sgt. Spackman was attached to the crew as an Air Observer, and was the only Australian in the crew.

Killed in Action

We regret to record the death on active service abroad of Sergeant N. W. Mowat, of the R.A.A.F. He was a member of the Queensland Division of the Commonwealth Institute.

Hospitality for Members Serving Overseas

The following letter has been received:

THE SOCIETY OF INCORPORATED ACCOUNTANTS AND AUDITORS

Incorporated Accountants' Hall,
Victoria Embankment,
London, W.C.2.
15th September, 1941.

C. W. Andersen, Esq.,
Registrar,
Commonwealth Institute of Accountants,
37 Queen Street,
Melbourne.

Dear Mr. Andersen,

The President of the Society asks me to say it would give much pleasure to members of the Society if they could individually extend hospitality to any members or students of the Commonwealth Institute of Accountants who may be in Great Britain serving with the Royal Australian Forces or the British Forces. We are preparing a list of members in different parts of the country who would be happy to entertain a member or student of the Commonwealth Institute of Accountants. Officers and men will have leave from time to time and it may be that some of them would like to spend their leave as guests of families.

If it is not giving you too much trouble perhaps you would kindly

(a) furnish me with the names of those concerned, with a note against each as to whether he is serving in the Royal Australian Navy, or the Royal Australian Air Force or of the name of the Regiment (the number of the battalion or unit should be omitted);

(b) send a letter to those concerned advising them of the hospitality available and requesting them to communicate with me should they be in Great Britain.

We are very interested to hear of the successful and valiant work of the Royal Australian Forces in the Middle East and elsewhere.

With kind regards,

Yours sincerely,

A. A. GARRETT.

Note: The Institute staff will do all it can to ascertain the names of members and students serving with the forces in England. If, however, any reader knows that a member or student is serving in England, it would be helpful if he would inform the Registrar.

VACANCIES FOR CLERKS

Advice has been received from the Commanding Officer, Headquarters, I Ordnance Field Park, Powlett Street, East Melbourne, that there are vacancies in that Unit for competent clerks.

As the need for trained clerks is urgent, the Commanding Officer would appreciate early advice of

(a) any clerks who are liable to be called up for duty and who desire to join the Corps, and

(b) any serving members of other Units who desire and who would be permitted by their existing Unit to transfer to the Corps.

Members or candidates who wish to join this Unit are requested to communicate with the Commanding Officer as soon as possible.

VICTORIAN DIVISION

Branch Meetings to Discuss Commonwealth Taxation

Mr. J. A. L. Gunn, F.I.C.A., of Sydney, addressed members and students of the Institute at Geelong on Monday, September 29 and at Ballarat on Thursday, October 2. Both meetings took the form of "Question and Answer" nights. Members and students were previously invited to submit written questions on problems relating to Commonwealth taxation. The questions were answered by Mr. Gunn at the meetings. The procedure enabled Mr. Gunn to deal with phases of the various Acts which were of a practical nature and covered a wide range of problems. Mr. Gunn was able to give members and students much valuable advice and information. The success of this form of meeting suggests that others conducted in a similar way could well be held in future.

Mr. Gunn has frequently demonstrated his interest in the welfare of students. His visits to Geelong and Ballarat during his recent short stay in Melbourne were a further indication of his desire to help those who are preparing for the examinations of this Institute in Federal Income Tax. His kindness on this occasion was very much appreciated.

SOUTH AUSTRALIAN DIVISION

A luncheon meeting, addressed by Professor K. S. Isles, of the Adelaide University, held at Birks on October 22, was very well attended. The speaker, who hails from Tasmania, is of the Keynes school of economists and has acted in an advisory capacity to the Federal Government.

The talk was given as an introduction to the coming series of W.E.A. Lectures entitled "How can we pay for the War?"

NEW SOUTH WALES DIVISION

Social Evening

At a social evening held at Hordern Bros. Ltd., Sydney, on Thursday, October 2, there was a large gathering of members. The chair was occupied by the State President, Mr. A. Clunies Ross, F.I.C.A., and a very interesting address entitled "The Law and the Underprivileged" was delivered by the Hon. C. E. Martin, M.L.A., M.EC., LL.B., Attorney-General of New South Wales. A resume of Mr. Martin's lecture appears in this issue of the Journal.

Mr. C. R. Rowe, A.I.C.A., President of the Newcastle Branch, proposed a hearty vote of thanks, which was carried with acclamation.

Light refreshments were then dispensed, and an excellent programme of musical items was contributed by Messrs. Walter Kingsley (baritone), Ron Dowd (tenor), Keith Connolly (entertainer) and Hall (accompanist).

West Australian Division

Monthly Luncheons

The speaker at the Luncheon on September 22, was Professor F. R. E. Mauldon of the Department of Economics, University of W.A., who continued his address on "Practical Problems of Post-War Reconstruction." The enormity of the subject is quite apparent, but the Professor managed to cover several aspects very comprehensively.

Professor Mauldon took the opportunity to urge the necessity of co-operation between Accountants and Economists. He stressed the need of research in both schools with a view to producing concrete proposals from joint efforts.

The Institute was fortunate in obtaining Major G. D. Treloar, D.S.O, M.C., to address members at the October Luncheon. The Major has made a close study of European affairs, and is known as the "Archer" to all radio listeners. He chose for his subject "Censored at the Source," and after covering the background to developments in Japan, dealt with the Russian campaign. The speaker's intimacy with his subject was apparent to listeners, and the vigour of his delivery most convincing.

In moving a vote of thanks Mr. W. H. Halliday expressed members' sincere appreciation of the Major's courtesy to the Institute.

The Australasian Institute of Cost Accountants

The main articles of interest appearing in the latest issues of periodicals received from overseas are as follow:

The Cost Accountant

July-August, 1941.—"Depreciation—(Part II)," by H. A. Simpson, F.C.W.A.

N.A.C.A. Bulletin

September 1, 1941.—"Uniform Pricing," by Raymond E. Jacke; "The Use of Predetermined Costs in Pricing in the Shoe Industry," by Harold S. Wonson.

Admissions as Associates

We have pleasure in advising the admission of Associate Members as under:

New Zealand

C. H. G. Redwood, D. H. Warner, E. H. Kibble.

Personal

The congratulations of the Institute are extended to Mr. H. T. Stitfold, A.I.C.A., who, on August 1, was elevated to the position of Secretary of the Premier's Department, West Australia. This office was previously held by Mr. L. E. Shapcott.

The Rev. Norman C. Paynter, A.I.C.A., has been appointed Local Representative of the Commonwealth Institute of Accountants at Kingscote, Kangaroo Island.

Mr. J. V. Ratcliffe, A.I.C.A., has retired from the firm of Smith, Johnson & Co., and has commenced public practice on his own account at 251 George Street, Sydney.

Mr. F. F. Norfor, A.I.C.A., has removed his offices to Stanton House, 133 Pitt Street, Sydney.

Messrs. Buckley and Hughes, of Melbourne, have admitted Mr. D. G. Randall, A.I.C.A., into partnership. The name of the firm will remain unchanged. Mr. Randall has been a member of the staff since 1929.

Mr. L. A. Cleveland, F.I.C.A., member of the Victorian State Council and Chairman of the Board of Examiners of the Commonwealth Institute of Accountants, has been appointed a member of the Faculty of Commerce of the University of Melbourne. The appointment was made in accordance with the University Statute governing the composition of the Faculty, which provides for the appointment by the Council every three years of not more than three members who possess expert knowledge and who are not teaching officers of the University.

Australian Institute of Political Science

Ninth Summer School

The Institute will hold its ninth Summer School at Canberra, Australian Capital Territory, during the Anniversary Day week-end from Friday, January 23, to Monday, January 26, 1942. The School will be divided into sessions of three hours each, and, at each session, discussion will follow the reading of a paper. The subjects of the papers are as follows:

Australia in To-Morrow's World: Facts and Prospects

First Paper, "Australia at War," by K. H. Bailey, M.A., B.C.L. [Oxon] LL.M. (Melb.), Prof. of Law, University of Melbourne.

Second Paper, "Control or Decontrol," by E. Ronald Walker, M.A., PH.D., Prof. of Economics, University of Tasmania.

Third Paper, "Repatriation," by N. Mighell, C.M.G., Commonwealth Coal Commissioner.

Fourth Paper, "A New Social Order?" by Herbert Burton, M.A., Lecturer in Economics, University of Melbourne.

Fifth Paper, "Good Neighbour or Isolation," by I. Clunies Ross, D.V.S.C., Prof. Veterinary Science, University of Sydney.

Further particulars may be obtained from the Institute's Secretary, at 34 Elizabeth Street, Sydney.

Obituary

It is with regret we announce the death of Mr. Philip J. Moynihan, of Brisbane. Mr. Moynihan had been a member of the Queensland Division of the Commonwealth Institute of Accountants since 1921.

Commonwealth Institute Students' Society

Victorian Division

Model Answers to the Intermediate and Final Accounting questions of the October examination have been prepared by the President of the Society, Major G. E. Fitzgerald. Copies of questions and answers are available on application to the Secretary.

Members have been supplied with particulars of the essay competition which closes on March 31, 1942. Entrants may choose any of the following three subjects (a) Asset Valuation for Balance Sheet Purposes; (b) The Functions of Accountancy in the Post-War Period; (c) Factors which determine changes in Price Levels.

We regret to record the death of Mr. E. L. Jermyn, of Hawthorn, a member since 1916.

On Wednesday, November 26, Mr. V. L. Solomon, F.I.C.A., State President of the Commonwealth Institute, will lecture to the Society on "Modern Research in Machine Accounting." All interested are invited to attend.

New South Wales Division

There was a large attendance at the Society's meeting on Thursday, October 2, when Mr. C. L. Mobbs, B.COM. (London University), delivered a very interesting and enlightening address entitled: "Bills of Exchange—Some Practical Aspects."

A hearty vote of thanks to the lecturer for his illuminating address was proposed by Mr. J. S. Adam, and carried with acclamation.

The President mentioned that the Committee had under consideration the question of arranging a suitable social function for December, and asked for an expression of opinion concerning certain proposals. A dinner, followed by a theatre party, appeared to be the form of entertainment most favoured by the members present, and the President announced that the Committee would endeavour to arrange a function of that nature.

West Australian Division

Monthly Lectures

The Society is indebted to Mr. C. M. Bryan, A.A.I.S., Manager in W.A. for Industrial Acceptance Corporation, for his kindness in addressing them on July 16 in the Institute Board Room, his subject being "A Survey of Hire Purchase."

It was most refreshing for students to receive practical illustrations of a law which does not of itself create much enthusiasm.

Mr. R. Adamson, A.I.C.A., Editor in Chief of Hemingway and Robertson Ltd., Melbourne, kindly made available notes on a lecture delivered by him to Members of the Victorian Division.

Mr. W. S. Johns, of Hemingway and Robertson Ltd., Perth, by blackboard illustrations and other references very ably delivered this treatise on the subject of "Control Accounts under Standard Costing." The lecture is being reproduced by the Society, and copies of the worked problems given those present are available at the office of the Institute.

On September 10, Mr. F. J. Murphy, A.I.C.A., Principal of Southern Cross Accountancy College gave a most instructive address (supported by blackboard illustrations) on "Snapshots of Costing Problems." Members' appreciation of Mr. Murphy's ability is demonstrated by the excellent attendance he always receives. His expeditious manner of dealing with costing problems is a source of inspiration to students.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

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Institute News and Notes

Supplement to "The Australian Accountant"

Published Monthly for the Commonwealth Institute of Accountants and The Australasian Institute of Cost Accountants.

DECEMBER 15, 1941

Commonwealth Institute of Accountants

Members on Active Service

There are now 377 members on Active Service with the Navy, Army and Air Force.

Victorian Division

N. R. Arnold, A. W. K. Baker, W. E. F. Berry, J. Bridgeford, M. G. Brown, K. J. Browne, L. D. Burford, R. W. Burge, K. C. Collins, K. D. Collins, D. D. Connan, D. A. Creal, L. J. Dwyer, W. N. English, J. D. G. Fagan, C. S. Fagg, R. L. Fairfax, G. C. Godley, H. G. Gunn, K. M. Hadden, K. Hartwell, P. Hauser, T. K. Y. Healy, D. McK. Henry, B. C. Henshaw, M. S. Humphrey, W. G. Hurle, C. T. Hyland, W. N. Ling, G. E. Lyon, J. L. F. Maffey, P. W. Marsland, R. W. Matthews, C. W. Miers, S. A. Moorhouse, C. A. Morris, B. J. Mulgrew, C. A. Mundy, D. A. J. McGill, D. V. McLean, N. P. McQuilkin, D. Z. Pile, R. T. Pryn, K. J. Quilliam, W. H. Rice, R. R. Sanderson, O. S. Shave, W. J. Skeels, H. R. Swain, T. Wells.

Killed in Action

We regret to report that Pilot-Officer Alfred Carrington Johnson was killed in an aircraft accident in the Middle East on November 12. He was admitted as an Associate of the Institute in 1936, and prior to his enlistment he was a member of the staff of J. S. Eastwood & Co.

Prisoner of War

Gunner Brian Layton, who has been missing since the Battle of Crete, is now a prisoner of war in Germany. He joined the 2/3rd Light Anti-Aircraft Regiment, A.I.F., in July, 1940. He was admitted as an Associate of the Institute in 1936.

Admissions and Advancements

Admission as Provisional Associate

Victoria
G. L. Grace.

West Australia
G. A. Ewers.

Advancement to Fellow

Victoria
H. F. Guthrie.

West Australia
S. H. Hubbard.

Presentation of Mobile Surgical Unit

On Wednesday, November 26, the President of the Institute (Mr. A. A. Fitzgerald) formally presented a mobile surgical unit to the Department of the Army.

In making the presentation, Mr. Fitzgerald explained that the unit had been purchased with the money amounting to £928 contributed by members of the Institute. He said that the present policy of the Council was to assist the war effort in every way possible and described the various services which had been made available to the Government, including those of the Central Register of Accountants.

Major-General Downes, Inspector-General of Medical Services, received the unit on behalf of the Army and thanked members of the Institute for the gift. He explained that the delay in assembling the unit was due to difficulties in obtaining the equipment, all of which had been made in Australia. He said that the unit would be the means of saving many lives and of relieving much suffering. A brass plate was affixed inside the truck, bearing the words:

> "Presented to the A.I.F. by members of the Commonwealth Institute of Accountants."

The unit consists of a motor truck and a full range of surgical equipment for operations on the field. As the truck is a light one, it can be taken over rough country. The equipment is arranged in trays which fit into cases that can be easily packed into the truck.

Photographs of the equipment are being supplied by the Department and will be on display at each Divisional office for inspection by members.

Western Australian Division

November Monthly Luncheon

A good attendance of members and friends were treated to a very interesting talk by Mr. Harvey Smith, who was a prisoner during the last war. At the age of eighteen, while undertaking a business trip for his firm, he was a passenger on a ship which was intercepted by the German Raider *Wolfe*.

Mr. Smith recounted his experiences during the next six months while on the Prison Ship on the way back to Kiel and his eventual repatriation to Australia.

Keen interest was maintained throughout and Mr. L. A. Brumby, F.I.C.A., Victorian Councillor, expressed to the speaker the appreciation of all present.

Victorian Division

Ballarat Branch

Lecture on Price Control

The visit of Prof. D. B. Copland on November 24 will long be remembered by members of the Ballarat Branch. At the civic reception in the afternoon, the Mayor paid tribute to the initiative and enterprise of the Branch Council in arranging for Prof. Copland to meet Ballarat accountants and business men and explain the operation of price control. When responding to the welcome accorded to him, Prof. Copland spoke feelingly and convincingly of the sacrifices involved in total warfare. He pointed out that the burden on the consumer of an over-all rise in prices of 10·2% was slight in comparison with the sacrifices being made by men and women on active service.

Representatives of all sections of the professional and business community attended the meeting in the City Hall in the evening. It was one of the largest attendances at a meeting arranged by the Branch. In an inspiring address, Prof. Copland described the organisation of the price control authority and the manner in which it functioned. He contended that the effectiveness of price control in Australia could be judged from the fact that prices during this war had risen only by 10·2%. He drew attention to the following statements made by the Commonwealth Parliamentary Joint Committee on Profits in a unanimous report recently issued:

> "We think the methods which have been applied by the Commissioner are sound and have proved efficacious in avoiding undue increases in prices."
>
> "In Australia the rise has been little more than 50% of the rise during the corresponding period of the last war, and is considerably less than the rise which has occurred in Great Britain during the present war."

Prof. Copland was accompanied by Messrs. V. L. Solomon (State President), A. M. Hislop (State Vice-President and Consultant to the Commissioner), C. W. Andersen (Registrar), and W. G. Duffy (Acting Deputy Prices Commissioner for Victoria). Mr. J. F. L. Gibbs, Branch President, presided, and the Bishop of Ballarat moved the vote of thanks, which was seconded by Mr. A. M. Hislop.

The Australasian Institute of Cost Accountants (Incorporated)

Examiner's Report

Final Costing—First Paper

Of the 68 candidates who sat for this paper, 37 reached a pass standard. The classification of the marks obtained by candidates is as under:

Marks Obtained	No. of Candidates
30	1
40–44	3
50–54	3
55–59	11
60–64	13
65–69	10
70–79	16
80 and over	11

The average percentages of marks obtained by candidates in the various questions were:

Question 1.	71%
2.	68
3.	70
4.	85
5.	58
6.	52
7.	63
Average for all Questions	66%

Generally speaking, therefore, Question 4 was very well handled, and Questions 1, 2 and 3 were, on the whole, satisfactorily handled. The principal weaknesses were in Questions 6, 5 and 7.

Question 6 called for a form of Pay Roll Journal suitable for use in a concern whose accounting period is the calendar month and whose pay period is weekly. A specimen of such a form will be found in Schumer, *Cost Accounting*, at page 68. Many candidates apparently confused the Pay Roll Journal (the purpose of which is to distribute the pay roll to the cost accounts) with the Pay Roll itself. In many cases also, little or no attempt was made to handle accrued wages at the beginning and end of the calendar month.

Question 5 was concerned with Clearing Expense Accounts, which are described and illustrated in Schumer, *Cost Accounting*, at pages 143 and 144. Many candidates had apparently never heard of a Clearing Expense Account, and some of the answers to the question appeared to be little more than guesses as to its nature and purpose.

Question 7 called for a number of journal entries dealing with various matters. The principal defects in candidates' answers were a lack of definiteness in the entries, and a failure clearly to distinguish between those items which should be charged to production cost and those which should be treated as Profit and Loss charges. For example, the writing off of a quantity of raw material which has been stolen was treated by many candidates as a charge to Materials Account. A further example was in the closing off of Variation Accounts under a standard cost plan. No distinction was drawn, in many cases, between manufacturing expense variation due to idle capacity on the one hand, and to spending variation on the other.

Admissions as Associate

We have pleasure in advising the admission of Associate members as under:

New South Wales

W. A. V. West, D. C. Custer, C. S. Newton (Miss), F. W. Small, R. O. Summerfield, J. S. Abadee, E. H. Armstrong, A. M. Davies.

Victoria

V. Brooke, D. M. Cronin, G. A. Doughton, A. J. Edwards, C. J. Frank, N. Gellie, F. E. Holding, R. J. Kinross, J. K. Lawrence, D. E. Lewis, A. J. Morrison, K. A. Spink, R. E. Tonkin.

Personal

Mr. T. A. Stump advises that as from December 1, 1941, he will be discontinuing his present office at No. 116 Collins Street, Hobart, and will carry on his practice as a Chartered Accountant (Aust.) in rooms on the second floor of the A.M.P. Chambers, Elizabeth Street.

Mr. T. D. Kelly, C.M.G., F.I.C.A., a member of the Public Service Board of New South Wales and a State Councillor of the Commonwealth Institute of Accountants, has been appointed Chairman of the Committee constituted by the New South Wales Government for the Co-ordination of Land Valuations.

Mr. J. A. L. Gunn, F.I.C.A., of Sydney, advises that the name of his firm has been changed to "J. A. L. Gunn and Partners."

Mr. K. Robson, A.I.C.A., has been admitted as a partner in the firm of W. H. Jack, Thomas & Co., Lismore, New South Wales.

Mr. J. F. Wilson, Secretary of Amalgamated Wireless (A/sia) Ltd., has been elected Chairman of the Sydney branch of the Chartered Institute of Secretaries. Mr. A. E. Slater has been appointed Vice-Chairman. A student member of the Sydney branch, Mr. F. C. Toal, has won the George Strachan Memorial Prize for the best pass in the Institute's Intermediate Examination against world competition. This is the first occasion on which the prize has been won by an Australian student.

Mr. A. A. Fitzgerald, B.COM., F.I.C.A., President of the Commonwealth Institute of Accountants, has been appointed by the Commonwealth Government to the Committee which will take over the work previously carried out by the Capital Issues Advisory Board. Other members of the Committee include Messrs. H. McConaghy (Chairman of the Tariff Board), G. M. Shain (Deputy-Governor of the Commonwealth Bank), W. C. Balmford (Commonwealth Actuary) and H. Magee (Chairman of the Board of Referees under the War Time (Company) Tax Assessment Act).

Mr. D. J. Nolan, F.I.C.A., General Manager of the Electricity Department of the Sydney County Council, who is on loan to the Clyde Engineering Works, Sydney, as Managing Director, has been appointed by the Minister of Supply and Development to make a survey of that Department. He will assist the Minister in determining the distribution of the functions of the Supply Department and its co-ordination with other Departments connected with supply and munitions.

Commonwealth Institute Students' Society

Victorian Division

The President (Major G. E. Fitzgerald) and Committee extend to all members particularly to those on service abroad, their best wishes for the coming year, with the hope that in 1942 a complete victory of Britain and its allies over their enemies will restore peace and security to the war-stricken world.

Three meetings were held during the month of November. At the meetings on November 5 and 12, Major G. E. Fitzgerald, President of the Society, demonstrated Model Answers to the Intermediate and Final Accounting papers of the October examination.

Members who have not yet received copies of the solutions may obtain them on application to the Secretary.

On November 26, Mr. V. L. Solomon, State President of the Institute, was the lecturer, and his subject "Modern Research in Machine Accounting." In the unavoidable absence of the President, Miss J. M. Boyd, Past President, was in the chair. By means of an interesting series of slides Mr. Solomon showed modern methods of the practical use of machine accounting, as applied in Melbourne offices. Some attention was given to specialised machine application such as Share Register work, Municipal Accounting, Hire Purchase Records, Stock and Production Records, and Wage Sheets. At the conclusion, a vote of thanks was accorded to Mr. Solomon, on the motion of Mr. A. H. Blamey, seconded by Mr. W. A. Coghlan.

Following the usual custom, no meeting will be held during January.

Mr. F. R. Morgan, of 17 Wentworth Avenue, Canterbury, is the winner of the prize of £5/5/-, awarded to the member who obtained the highest aggregate of marks at the October examination in the subjects of Intermediate Accounting and Auditing combined. This amount is payable on the winner completing six months' study for the Final Examination.

New South Wales Division

A meeting of the Society was held at the Institute's Conference Room, Sydney, on Thursday, November 13, when Mr. C. H. Prosser, President, occupied the chair, and an interesting address entitled "Accountancy and Law—Some aspects of the relationship between the two Professions," was delivered by Mr. T. J. Hennessy, Solicitor.

The lecturer said that the subject was one in respect of which students of accountancy could obtain little information from text-books. The two professions had much in common, and it was quite possible for overlapping to occur. There were, however, certain limitations placed upon accountants if asked to undertake work of a legal nature, but on the other hand, there was no legal bar to a solicitor doing the work of an accountant. There was little danger of a solicitor undertaking accountancy work, however, because, generally speaking, solicitors did not possess sufficient knowledge and experience of accountancy.

A hearty vote of thanks to the lecturer for his interesting and instructive address was proposed by Mr. F. J. Ellis.

Western Australian Division

Chapter Meetings

Some interest has been shown in the following subjects: Taxation, Cost Accounting, Economics and Statistics. Others who have not yet advised this State's Registrar of their interest in any of these subjects are advised to do so urgently so that the meetings may commence early in the new year.

On October 29, Mr. R. H. Johnson, LL.B., delivered to members of the Society a lecture entitled "Practical Points on Contract Law." There was a good attendance and this very instructive and informal talk was followed by preliminary arrangements for the forthcoming play, while supper was served.

South Australian Division

At the Annual General Meeting held on November 26, 1941, the personnel of the Committee for the ensuing year was unchanged. The President for the ensuing year will be Mr. L. L. Hunkin; the annual subscription, as in former years, is 10/6 for non-members and 5/- for members of the Institute. The Secretary (Mr. F. N. Hiles, A.I.C.A.) was instructed to urge that answers to every future examination paper of the Institute be made available to students.

At the conclusion of formal business Mr. C. R. B. Wilson, S.A. Manager of Burroughs Ltd., gave a most informative talk on an "Introduction to Mechanised Accounts." The lecture, which was illustrated practically by the use of actual machines, proved most instructive and members expressed their appreciation of the manner in which Mr. Wilson made his subject-matter clear.

Brown, Prior, Anderson Pty. Ltd., 430 Little Bourke St., Melbourne

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